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E D I T O R I A L   B O A R D

INTRODUCTION

Science is the knowledge of the existing, which systematically totally covers a sector of issues. Science is one and its purpose is the understanding of all phenomena. Due to human's incapability of mental controling the whole of universal rules, science is divided to partial ''sciences'' and each one covers its objective field.

The science of tourism can be divided in two parts. The sciences of understanding the tourism phenomenon and the sciences of the enterprises of hospitality and their management.

Dealing with sciences leads to complete studies whose purpose is the understanding of the reality. These studies are set to be published in refereed scientific journals. Their publication is judjed for being original, complete and correct, by members of the academic community. Then, these publications are considered as valid and can be used by other researchers for the spread of knowledge.

Aim of the magazine is the spread of knowledge related to the scientific fields of tourism. In Tourism Issues there are being published original articles and obligatorily new researches. The writing language can be Greek , English , French or German. The scripts will be evaluated by three - membered scientific committee whose members have deep knowledge of the specific fields.

Laloumis Dimitris

WRITING GUIDELINES

In "Journal of Tourism Research" can be published original articles and research studies dealing with tourism topics. The articles and the studies should have never been published before.

Every scientific paper should not exceed a maximum of 8000 words and should be sent in electronic form at info@dratte.gr.

The paper can be written in Greek, English, French or German.

Papers should be typewritten in black, double-spaced on A4 or US letter sized white paper and printed on one side of the paper only, with 1 ½ inch margins on all four sides, using 10 pts Arial characters. Pages should be numbered consecutively.

The first page of the paper should include in the following order: paper title, author's name and surname, affiliation, postal address, telephone and fax numbers, email address, acknowledgements. In the case of co-authors, their full details should also appear (all correspondence will be sent to the first named author). Also include an abstract of 200-250 words, and up to five keywords.

The second page should contain the title of the paper, an abstract of 200-250 words, and up to five keywords. Do *not* include the author(s) details in this page.

Subsequent pages: main body of text; list of references; appendices; endnotes (endnotes should be kept to a minimum).

Every paper should be accompanied by a 180-word abstract. The text of the abstract is not allowed to be part of the paper. Also, the author should propose 4 key words associated with the main fields dealt with in the paper. The aforementioned (name, title, abstract and key words) should be given in English and Greek, as well as in the language of composition in case this is French or German.

Tables, figures and illustrations should be referred to and included in the text, in gray tint. Each table, figure and illustration should be numbered consecutively (in Arabic numbers) and titled. Tables, figures and illustrations should not exceed one page and should be kept to a minimum.

The text should be organized under appropriate section headings. Section headings should be marked as follows: primary headings should be typed in upper case and bold (e.g. **INTRODUCTION**); subsection headings should be in upper and lower case and bold (e.g. **Tourism Planning**).

Quotations should be taken accurately from the original source. Alterations to quotations should be noted. Quotation marks (" ") should be used to denote direct quotes. Inverted commas (' ') are to be used to denote a quote within a quotation.

Papers should be supported by references. These should be set out according to the standard Harvard style as follows. In the text references should be cited by the author's name and year of publication in brackets – for example (Miller, 2000; Tribe, 2000, 2001), or '… as noted by Miller (2000)'. Where there are two or more references to one author for the same year, the following form should be used (Smith, 1999a) or (Smith, 1999b). Where references include two authors the form (Clarke & Little, 1996) should be used. Where references include three or more authors the form (Riley *et al.*, 1996) should be used. The reference list, placed towards the end of the manuscript, must be typed in alphabetical order of authors. The specific format is:

- *For papers in journals:* Blangy S. & Nielson T. (1995) Ecotourism and minimum impact policy, *Annals of Tourism Research* 20(2), 357-360.
- *For books and monographs:* Inskeep E. (1991) *Tourism Planning: An Integrated and Sustainable Development Approach*, London: John Wiley & Sons.
- *For chapters in edited books:* Hall C.L. & Jenkins J.M. (1998) The policy dimensions of rural tourism and recreation. In R. Butler, C.M. Hall & J. Jenkins (Eds.) *Tourism and Recreation in Rural Areas*, London: John Wiley & Sons, 19-42.
- *For reports:* Hovland N.P. (1989) *Local Economic Impact for Travelling Business: Examples from the Municipality of Risoer*, report no. 24, Telemark Research Institute, Boe.

Every paper will be examined by a three-member scientific committee. The committee's members cover cognitive fields relevant to the papers' topics and receive the papers with the author's/s' name undisclosed. The judging process will be completed with author's anonymity throughout. The judges will propose to the editorial committee the acceptance or the rejection of a paper to be published or the possibility of publishing an article after corrections suggested by the judging committee.

After the papers' judgement, the authors will be notified, either the judgement has been positive or not. The approved papers will be published according to priority of chronological order.

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DEVELOPING TEAMWORK SKILLS IN HOSPITALITY MANAGEMENT COLLEGE STUDENTS

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ABSTRACT

Teamwork skills are among the most important skills desired by hospitality management employment recruiters, yet, teamwork skills are frequently deficient in college graduates. The purpose of this study was to determine whether hospitality management college students who participated in a team project with the same small group of students for one 10-week academic quarter along with teamwork training or a review of successful teamwork skills, and feedback about their teamwork skills improved their teamwork skills. An online teamwork skills questionnaire was administered to students in an introductory, and an upper division hospitality management course before and after the 10-week courses. The introductory hospitality management course contained teamwork training and the upper division course provided a review of successful teamwork skills, and in both the introductory and upper division courses, students worked on a small group team project, and received feedback on teamwork skills throughout the 10-week period. Paired t-tests were used to compare the students' pre- and post-teamwork questionnaire scores in the introductory and upper division courses, and a t-test was used to compare the students' pre-teamwork questionnaire scores in the introductory course with the students' post-teamwork questionnaire scores in the upper division course. Statistical analysis revealed students' teamwork scores improved significantly from before the introductory to after the introductory hospitality management 10-week course, and from before the upper division to after the upper division hospitality management 10-week course, and students' teamwork scores improved from before the introductory hospitality management course to after the upper division hospitality management course when students were provided teamwork training in the introductory course and a review of successful teamwork in the upper division course, worked on a small group team project, and received feedback on teamwork skills over 10-weeks in the introductory and upper division hospitality management courses. These findings suggest hospitality management students' teamwork skills can be improved with teamwork training or a review of successful teamwork practices, the opportunity to work on a team project with a small team, and teamwork feedback over a 10-week period.

Keywords: Teamwork1, Hospitality Management2, Hospitality Management Employment3, Teamwork Skills4

INTRODUCTION

Teamwork skills are important for students to develop while in college to obtain a hospitality management position as well as to be successful in a hospitality management career (The Conference Board, 2008; Mayburry & Swagger, 2010). Yet, little research has been conducted to determine if college students are trained in teamwork, participate in teamwork, and are provided feedback on their teamwork skills improve their teamwork skills.

The purpose of this study was to determine whether hospitality management college students who participated in a team project with the same small team of students for one 10-week academic quarter along with teamwork training or a review of successful teamwork practices, and self, peer, and instructor feedback about their teamwork skills improved their teamwork skills.

In this study, hospitality management college students in an introductory, and upper division course were given a task appropriate for a team to complete. Teamwork training was provided in the introductory course, and a review of how to work successfully in a team was provided in the upper division course. Following, students in both courses worked in teams of 3-6 members on a 10-week project. Each student was provided with self, peer, and instructor feedback about his/her teamwork skills throughout the 10-week project. At the beginning and end of each course, students participated in an online teamwork questionnaire to assess change in students' teamwork skills during the 10-week period, and from the beginning of the introductory course until the end of the upper division course.

Team Versus Group

Instructors often use the terms team and group interchangeably but they are not the same. Kozlowski and Ilgen (2006) provide a multifaceted definition of a team as "(a) two or more individuals who (b) socially interact (face-to-face or, increasingly, virtually); (c) possess one or more common goals; (d) are brought together to perform organizationally relevant tasks; (e) exhibit interdependencies with respect to workflow, goals, and outcomes; (f) have different roles and responsibilities; and (g) are together embedded in an encompassing organizational system, with boundaries and linkages to the broader system context and task environment."

Teams are not just a group working together (Katzenbach & Smith, 1993, 2005). Teams rely on collaboration among team members to create a product that is more than the sum of the individual parts, and are comprised of individuals with complementary skills and abilities. Further, team members hold themselves responsible for the quality of the final product.

Groups, on the other hand, are commonly defined as a collection of two or more interactive individuals with a stable pattern of relationships between them who share common goals and who perceive themselves as being a group (Greenberg, 2010, p. 252).

Groups do not rely on collaboration among team members. Rather, group members often work alone, and then combine their individual parts to produce the final product. In comparison to team members, group members often have similar skill levels in relation to the assigned task, and hold themselves

responsible only for their part of the project.

Teamwork Defined

Teamwork involves people working collaboratively together as a team for a common goal or purpose (Southern Cross University, 2013).

Teamwork Skills and Employment

The Department of Education, Science and Training (2006) identified a set of skills needed to prepare young people for both employment and further learning. Teamwork was listed as one of eight skills employers think makes a good employee. It is described as being able to work in a team in a manner that contributes to productive working relationships and outcomes. The aspects of teamwork that employers think are important to enter, operate, and thrive in the world of work are:

Working with people of different ages, genders, races, religions or political persuasions Working as an individual and as a member of a team Knowing how to define a role as part of a team Applying teamwork to a range of situations Identifying the strengths of team members Coaching, mentoring, and giving feedback.

Teamwork in Organization

Teamwork of some type is utilized in most, if not all organizations today (Hills, 2001; Koslowski & Bell, 2003; Jex, 2002; Lawler, et al., 1995; Morgeson, et al., 2010). A survey of 240 managers attending a University of Wisconsin's continuing education program noted that managers are typically serving on 3 teams at any given time, and several managers agreed that it was not uncommon for managers to be on twelve different teams simultaneously (Antonioni, 1996). Blanchard, et al., (1996) also provided evidence that showed managers spend from 60% to 90% of their time in team activities. Moreover, employees are likely to work in different types of teams including project teams, action teams, production teams, and management teams.

As a result of the prevalence of teams in work organizations, companies are increasingly seeking job candidates who possess teamwork skills.

Both employers and recruiters listed college graduates' ability to work in a team as critical to compete for jobs. A report by The Conference Board (2008) noted that prospective employers listed teamwork/collaboration as second in importance to only oral communications of eleven applied skills required for job success for four-year college graduates. College recruiting professional members of the National Association of Colleges and Employers (2013) rated "ability to work in a team structure" as the most important of ten candidate skills/qualities in the Job Outlook 2014 survey.

The ability to work as part of a team was ranked by senior hiring executives who represented various sectors of the hospitality and tourism industry as the most desired attribute of eleven skills and

abilities for college and university graduates of business and hospitality education programs too (Tesone & Ricci, 2005). In another study (Mayburry & Swagger, 2010), twenty two leading experts in hospitality management listed team building as one of the knowledge, skills, and abilities (KSA's) from their experience and observation that graduates from four year post-secondary institutions currently needed to possess for success in the hospitality industry.

In the American Management Association's (AMA) (2013) 2012 Critical Skills Survey, managers and executives indicated that collaboration/team building was one of four skills measured during annual performance appraisals and that job applicants were assessed in these areas during the hiring process. Nearly seventy three percent (72.6%) of managers and executives agreed or strongly agreed that collaboration/team building was a priority for employee development, talent management, and succession planning in the next one to three years. Three fourths (74.6%) of managers and executives who responded to the AMA survey said they believed collaboration/team building skills will become more important to their organizations in the next three to five years for four reasons. Listed from most important to least important, they are 1) the pace of change in business, 2) global competition, 3) the nature of how work is achieved today, and 4) the way organizations are structured. The AMA 2012 Critical Skills Survey showed almost sixty percent (59.1%) of managers and executives believed it is easier to develop these skills in students and recent graduates than it is to develop them in experienced workers. These results substantiate the need for college educators to develop collaboration/teamwork skills in students.

While teamwork skills are valued at all levels of employment, they may become increasingly evident and important as positions of seniority are attained in organizations (Hughes & Jones, 2011).

Teamwork in Management Education

Management instructors often use team activities to accomplish a number of educational goals and to get students to be more involved in their education than in traditional course work (Loyd, et al., 2005; Raelin, 2006; Zantow, et al., 2005). Instructors also use team based learning methods to develop the interpersonal and teamwork skills that students often do not have, yet, are very important in organizations and to recruiters (Alsop, 2002; Boni, et al., 2009; Verzat, et al., 2009).

Benefits of Teamwork Skills

Johnson and Johnson (1989) believe learning to work together in teams may be one of the most important interpersonal skills a person can develop in order to gain employment, be productive, and achieve career success. The importance of colleges and universities implementing strategies designed to help students develop teamwork skills was further substantiated in a 2013 poll conducted on behalf of the Association of American Colleges and Universities (AACU) in which 67% of employers said colleges should place more emphasis on teamwork skills and the ability to collaborate with others in diverse group settings (Hart Research Associates, 2013, p.8).

Further, The Association of American Colleges and Universities (AACU) listed collaborative assignments and projects as one of eleven widely tested teaching and learning practices that provide value to college students, especially to students from historically underserved backgrounds in its report, College Learning for the New Global Century (National Leadership Council for Liberal Education and America's Promise, 2007). They noted in Appendix A, A Guide to Effective Educational Practices (p.54) that "Collaborative learning combines two key goals: learning to work and solve problems in the company of others, and sharpening one's own understanding by listening seriously to the insights of others, especially those with different backgrounds and life experiences. Approaches range from forming study groups within a course, to team-based assignments and writing, to cooperative projects and research."

Chapman and Van Auken (2001) explained that it is believed students develop a better understanding of the difficulties, challenges, and rewards of working together in teams through team projects. They noted that there are several other benefits students will gain by working on team projects. They can help students to:

Become better communicators

Learn to work productively with others

Develop a better understanding of the complexities, challenges, and advantages of working effectively in a team

Gain skills in managing group projects

Recognize the value provided by the division of labor when working on a large project

Simulate experiences similar to the "real world" ones they will encounter when they are assigned to a team as part of an organization.

Chapman and Van Auken (2001) also indicated that students interviewing for jobs are often asked to explain how they handled problems when working on team projects.

Kuh (2008) listed teamwork and problem solving in his book, *High-Impact Educational Practices* as one of eight intellectual and practical skills students need to prepare for twenty-first-century challenges. His listing was developed though a multiyear dialogue with hundreds of colleges and universities about needed goals for student learning; analysis of a long series of recommendations and reports from the business community; and analysis of the accreditation requirements for engineering, business, nursing, and teacher education. Kuh indicated collaborative assignments and projects are techniques that educators may use to strengthen students' intellectual and practical skills. They have been shown to help many college students from a variety of backgrounds.

Educators Development of Students' Teamwork Skills

Many faculty members in higher education do recognize the educational benefits of group-based learning, and the need for students to develop team skills, and include team projects in their classes (Boni, et al., 2009; Michaelsen, et al., 2004). Nevertheless, the quality of students' team experiences is often not as good as it could or should be (Pfaff, & Huddleston, 2003), and teamwork competencies and skills are rarely developed (Chen, et al., 2004).

Helping students to develop team skills is not easy even when university and college instructors and professors incorporate team experiences into their courses. There are many reasons why students may not develop good team skills in college. Students often find teamwork challenging and struggle with it. Other reasons students may not develop good team skills include the following: they divide the project into parts and complete their parts individually; there is poor communication or conflict among team members, and some students would rather work alone, dislike group work, or lack interpersonal skills (Shankar & Seow, 2010). Loafers, who contribute little to the team, are also commonplace in student teams (McCorkle et al., 1999), and, as a result, gain minimal teamwork experience. Students may grow frustrated and resentful of shirking team members (Comer, 1995) and fear their individual grades will be affected by working on a team project or that the work will not be divided equally among team members (Jassawalla, et al., 2009; Oakley, et al., 2004). Another concern of students is that team work is too time-consuming due to the time required to schedule meetings and the time spent attending meetings that aren't always as productive as they could be.

The development of teamwork skills requires faculty to teach students what it means to be an effective teammate, provide students with opportunities to work in teams, offer feedback to students about their teamwork skills and give them the opportunity to practice their teamwork skills again (Fink, 2003).

Training Students to be Effective Teammates

Training students in teamwork may teach them how to be better team players, resulting in better teamwork experiences (Bacon, et al., 1999). A course on teamwork might be added to the curriculum or shorter teamwork lessons might be incorporated into a variety of courses that offer team learning activities.

Bradley, et al., (2003) and Young and Henquinet (2000) also found teamwork training can increase students' team satisfaction with team performance. Team members' satisfaction is important to a team's productivity. Lovell and Nunnery (2004) found that team member's satisfaction was almost as critical to a team's productivity as team performance. Likewise, Ocker's (2002) research showed that satisfied, cohesive teams performed better. Research by Lembke & Wilson (1998) also indicated that the effectiveness and productivity of teams can be improved by team members who view the team as a unit and an attractive arrangement.

Teamwork training may address topics such as the stages of group development, communication within a group, roles that group members can play, and conflict resolution. Describing past experiences with

team failures and successes may be used to discuss appropriate behavior in a team.

Feedback on Teamwork Skills

In order for students to improve their teamwork skills they need to receive meaningful feedback about the quality of their teamwork skills. Hughes and Jones (2011) indicate feedback needs to focus on the teamwork process that was used to create the project rather than on the quality of the project's outcomes. While students need to share a group grade based on the quality of the team's final project to ensure their commitment to the collaboration, it is not enough to help students improve their teamwork skills. Feedback must be provided on the quality of the team process. This is the basis for the individual grade. Students' individual contributions must also be rewarded. Feedback may come from students' peers who are likely to see their teamwork skills in action or from instructors or professors who may see their teamwork skills in a more limited manner. Irrespective of the source, feedback about teamwork performance is essential for students to improve their teamwork skills, and faculty must plan for it to take place (Hughes & Jones, 2011).

Studies (Thomas, et al., 2011) have supported using self and peer evaluations as a method to provide students feedback about their teamwork contributions. Self and peer evaluations can teach students about teamwork; encourage students to reflect on team processes, their own team contributions and their teammates' contributions; and provide students with developmental feedback (Dominick, et al., 1997; Gueldenzoph & May, 2002). For these reasons, self and peer evaluations can help students learn to be more effective team members (Brutus & Donia, 2010; Oakley, et al., 2004).

Providing students with peer evaluation instruments and explaining them before student teams begin working as a team, teaches students what is expected of them and what behaviors are acceptable and unacceptable in team members, and can help teams to develop shared expectations for team members (Ohland et al., 2012). Gueldenzoph & May (2002) note that students must be provided a clear understanding about the 1) Who (Which students will evaluate them?), 2) What (What does the evaluation include?), 3) When (When will the evaluation take place?), 4) Why (Why are peers performing the evaluation?), 5) How (How will peer evaluations affect their grades?). Answers to these questions are necessary in order for students to evaluate their peers effectively, and feel like the evaluation process is fair.

Self and peer evaluations may also be used to provide students feedback to increase their team skills and develop reflective and self-management skills which help them become lifelong learners (Dochy, et al., 1999; Felder & Brent, 2007; Young & Henquinet, 2000).

In addition to showing students how their team contributions will be evaluated, self and peer evaluations can motivate students to contribute to their teams, increase the amount students' grades reflect their contributions to team assignments, and reduce free riding. Team members who free-ride causing other students to do more work or get a lower grade than they want is a primary

reason students are dissatisfied with teamwork (Oakley, et al., 2004; Pfaff & Huddleston, 2003).

Hernandez (2002); Millis & Cottell (1998) also noted that peer evaluations create accountability to team members and provide a reason for contributing to a team's efforts to reach its goals. Likewise, Bacon (2005) determined failure to implement individual accountability in team activities can reduce student learning. Further, peer evaluations make students conscious of how their peers view them, and according to Mayo, et al., (2012) this can lead to greater self-awareness and encourage learning.

Because self and peer evaluations are often used in work organizations, completing them as part of college classes prepares students for the workplace (Druskat & Wolff, 1999).

Chapman and Van Auken (2001) and Pfaff & Huddleston, (2003) found students were more likely to have positive attitudes toward teamwork if instructors discussed team management concerns and individual performance within a team was evaluated, such as by a peer evaluation. Attitudes of students can perform a critical function in learning and the quality of the results (Marzano, 1992). Glazer, et al., (1987) further determined that teams with a positive attitude toward their assignments performed better. Lembke and Wilson (1998) also found that "teamwork is a function of how team members perceive the team and their role in it. Highly productive teamwork requires that team members recognize the team as a unit and as an attractive work arrangement" (p. 927). Basically, the above research indicates that the effectiveness and efficiency of teams can be improved when team members working in a team have a positive attitude.

METHOD

Forty six students in an introductory and thirty four students in an upper division hospitality management 10-week college course participated in an online Teamwork Skills Assessment (Spector, et al., 2005) at the beginning of the 10-week courses. The Teamwork Skills Questionnaire was established as a reliable and valid teamwork assessment tool. The teamwork questionnaire was comprised of 36 questions. A sample question is, "When I work as part of a team, I respect the thoughts and opinions of others in the team." Response choices to each question were, "Almost never=1, Sometimes=2, Often=3, and Almost always=4."

Teamwork training was provided to students in the introductory hospitality management course with a power point presentation, discussion, and several handouts. The discussion and handouts addressed the team development stages, team norms, communication within a team, conflict resolution, student advice on how to work in a team, a team expectation agreement form with expectations for teams to agree to, and a self & peer evaluation scoring rubric for students to evaluate themselves and their team members. Students in the upper division course received a review of how to work successfully in a team, and a self & peer evaluation scoring rubric for students to evaluate themselves and their team members.

Teams of three to six students were identified. Teams in the introductory 3 hour and 20 minute 10-week course were assigned a menu and recipe costing project with numerous parts due in stages

throughout the 10-week period. Teams in the upper division course participated in a 30 hour/week 10-week management team project operating a hands-on student run restaurant serving four lunches or three dinners to the public each week during 7 of the 10 weeks.

Students in both courses received self, peer, and instructor written feedback on their teamwork skills throughout the 10 week period.

At the end of the 10 week period, the students in the introductory and upper division courses repeated the 36 question online Teamwork Skills Questionnaire.

This research project received Institutional Review Board (IRB) approval from the California Polytechnic University, Pomona Human Research Protections Program.

RESULTS

The introductory and upper division hospitality management 10-week courses were statistically analyzed to determine the mean scores on the pre- and post-teamwork questionnaires for both courses, and if there were significant differences in the scores on the pre- and post-teamwork questionnaires using paired t-tests. The mean score for the pre-teamwork questionnaire in the introductory course was 3.2440, and the mean score for the post-teamwork questionnaire was 3.3484. The mean score for the pre-teamwork questionnaire in the upper division course was 3.2933 and the mean score for the post-teamwork questionnaire was 3.5082. The results were as expected (Fink, 2003). There were significant differences on the paired t-tests in both courses. The post-teamwork questionnaire scores were statistically higher (or better) than the pre-teamwork questionnaire scores in both the introductory and upper division hospitality management courses when students completed teamwork training in the introductory course and a review of teamwork skills in the upper division course followed by participation in a 10-week team project with self, peer, and instructor feedback throughout the 10-week period in both courses. The results of the paired t-test in the introductory course showed significant improvement in teamwork scores with a $p = 0.0455$. The results of the paired t-test in the upper division course showed significant improvement in teamwork scores with a $p = 0.0009$.

The pre-teamwork questionnaire scores from the introductory course and the post-teamwork questionnaire scores from the upper division course were also analyzed to determine if there was a significant difference in these scores using a t-test. There was a significant difference on the t-test from the students' pre-teamwork questionnaire scores in the introductory course and the students' upper division post-teamwork questionnaire scores. Students' scores on the post-teamwork questionnaire from the upper division course were significantly higher than the students' scores on the pre-teamwork questionnaire from the introductory course. The results showed a significant improvement in students' teamwork scores from prior to the introductory course to after they completed the upper division course with a $p = 0.0044$.

DISCUSSION/CONCLUSIONS

The results of this study indicate that students will improve their teamwork skills if faculty teach students how to be an effective teammate, provide students with opportunities to work in teams, offer feedback to students about their teamwork skills and give them the opportunity to practice their teamwork skills again. The sample size of the courses was small, with n=46 in the introductory course and n=34 in the upper division course. This was a limitation of the study. Nonetheless, the significant differences found indicate faculty can improve students' teamwork skills by providing students the combination of teamwork training, team project opportunities, and feedback.

While there was a significant difference in students' pre - and post-teamwork questionnaire scores (p = 0.0455) in the introductory course, an indication that students' teamwork skills improved, the improvement could have been greater. There are several factors that may have attributed to this. They include: 1) Students only met 3 hours and 20 minutes/week for 10-weeks in the introductory course. 2) Two thirds of the students in the introductory course took it as a hybrid course. A hybrid course meets face-to-face only half the time with the remaining meetings being conducted online. 3) The teamwork skills of the students were quite high prior to beginning the introductory course, rating 3.2739 with 4.0 as the highest score possible. 4) Other reasons Shankar and Seow (2010) noted are that students in the introductory course may not have improved their team skills more because they divided the project into parts and completed their parts individually; there was poor communication or conflict among team members, and some students preferred to work alone, disliked group work, or lacked interpersonal skills. 5) Furthermore, students may have grown frustrated and resentful of shirking team members (Comer, 1995), and feared their individual grades would be affected by working on a team project, or that the work wouldn't be divided equally among team members (Jassawalla, et al., 2009; Oakley, et al., 2004). 6) Another concern of students was that team work was too time-consuming due to the time required to schedule meetings and the time spent attending meetings that weren't always as productive as they could be.

Students' teamwork skills in the upper division course improved greatly as demonstrated by the significant difference in students' pre- and post-teamwork questionnaire scores (p = 0.0009). There are several factors that may have contributed to the substantial improvement in students' teamwork skills while in the upper division course. They include: 1) The upper division course was a capstone course culminating students' participation in numerous teamwork projects in their lower and intermediate level hospitality management courses. 2) Students in the upper division course met 30 hours/week for 10-weeks versus the 3 hours and 20minute/ week in a traditional hospitality management course. 3) The teamwork project in the upper division hospitality management course was operating a restaurant open to the public for 4 lunch or 3 dinner periods each week. This provided students with a "real" operational hands-on business experience.

Given that teamwork skills are important for students to develop while in college to obtain a hospitality management position as well as to be successful in a hospitality management career (The Conference Board, 2008; Mayburry & Swagger, 2010), this study shows providing hospitality management college students with teamwork training, along with an opportunity to practice teamwork

skills and receive feedback about them will enable students to improve their teamwork skills. Since teamwork of some type is utilized in most, if not all organizations today (Hills, 2001; Koslowski & Bell, 2003; Jex, 2002; Lawler, et al., 1995; Morgeson, et al., 2010), and teamwork skills are valued at all levels of employment, (Hughes & Jones, 2011), the findings of this study may be useful to educators in many disciplines. Further research is recommended.

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HOTEL FURNITURE IN GREEK MODERNITY: "XENIA" AND "AMALIA" HOTELS CASES

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ABSTRACT

During the period of Modernity[1] and especially in the 1960s, in Greece, the architectural "production" of buildings, particularly in the hotel setting, offered a plethora of successfully completed settlements in every aspect. A series of hotel facilities designed from 1955 to 1965, on public or private supervision and funding, including a number of Xenia Hotels[2] (public investment program) and Amalia Hotels[3] (private

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[1] I write "modern" with a capital "M" meaning that it belongs to the Modern Movement, and not just that it is "modern", Parmenides G., 1984. *The seat in the 1920s,* Athens: Paratiritis ed., p 12.

[2] Under the Xenia project, since 1950, 53 hotel complexes, motels and tourist pavilions have been designed and implemented by the Technical Services of GNTO, scattered in archaeological sites, islands and mainland of Greece. The Xenia project was completed in 1974 and officially terminated in 1983. However, since 1970, reaching its climax in 1980, many of these hotel facilities declined, left abandoned and been deserted.

3 The hotel group «Amalia» is one of the oldest hotel chains in Greece and includes six luxury hotel establishments in different areas, implemented on different dates in over 35 years.

investment) are typical examples. In these projects, not only did the architects who developed them emphasize the design itself of the building-shells, as morphological and functional entireties, but they also move forward to the design of the interior spaces and their individual components, approaching each building as a whole. In this way, they were not only involved in the architectural design of the shell; they designed equally both interior spaces and each element contained in the building-shell, such as special structures (partitions, fireplaces), lighting, and even the decorative elements including works of art selection (paintings, sculptures), but mostly they placed emphasis on their furniture design of both communal areas (reception, living rooms) and private spaces (room space).

Architects such as Aris Konstantinidis, Jason Triantafillidis, Nikos Valsamakis and many others, developing hotel complexes, also designed, as a continuation of their architectural study, the furnishings of both interior and exterior areas in a *holistic approach[4]*. This designing approach did not only encompass the functional organization of spaces but it also proposed materials-textures-constructions-colors, so that the qualitative characteristics of these works were in harmony with Modernity and its principles, which the building itself contained. *These buildings had a voice through their construction details, overall designs and architectural structure[5].*

The designing quality of the furniture is a reference point for designers as far as design, materials and technology of the time, are concerned. The use of metals, with the example of the standardized cross-sections, brings the concept of the standardization technology and the construction economy, the use of wood and its processing in ways of connection that generate results, and an aesthetic similar to that of the architecture they represent. It is a design that is entirely consistent with the aesthetics and principles of Modernity, where the furnishing is its "Micro-Architecture" approach in micro-scale, as if the designer is re-creating the building itself through the furniture design and its construction details and re-formulates the aesthetic principles he has used with clarity and completeness.

This paper focuses on the exploration of the functional and morphological principles that have been used in hotel equipment's design during the period of Modernity in Greece. Also the interaction developed between projects of public and private investments and their relationship as well as the basic principles of functionality and form of the architectural works, is investigated during this period. As a methodological tool, case studies and archival material will be used: the Xenia hotels of Mykonos (1960) and Poros (1964), projects of the architect Aris Konstantinidis, the Xenia Hotel of Nafplion (1958), a work of Jason Triantafyllidis, as well as the Amalia hotels of Athens (1958) and Delphi (1963) works of the architect Nikos Valsamakis.

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[4] Georgiadou Z., Frangou D., Marnellos D., 2015. *Xenia Hotels in Greece: A Holistic Approach to Modern Cultural Heritage,* Journal of Civil Engineering and Architecture, Volume 9, Number 2, February 2015 (Serial Number 87) , pp.130-140.

[5] Pepe A., 2015. *Two Buildings of Modern Architecture "Persecuted"*, "Architects" Magazine (Association of University Graduate Architects, SADAS), March/April 2004, pp. 28-29.

The case of furniture design of the hotel spaces passes through the architectural design of the building and is inextricably linked with the style, rhythm, quality of space and architecture, in general.

Keywords: Modernism, Furniture Design, Interior Design, Xenia Hotels, Amalia Hotels

INTRODUCTION

In the early 1960s the tourist "stream" was beginning to flood the Greek country with tourists from all places of the earth[6].   At the same time, architects like Jason Triantafillidis and Aris Konstantinidis, who is in his greatest prime but also younger ones, such as Nikos Valsamakis, who represents a powerful vanguard architecture, create important works. Konstantinidis, as the head of the technical bureau of Greek Tourism Organization accomplishes a series of hotel facilities in Greece (Xenia), does not deviate from the modern movement, but at the same time he exceeds it, introducing locality and uniqueness without scenographic lapses. Valsamakis is oriented to the summarization of the modern movement teachings in an idealized, perfect formalistic version that rejects the local provincialism and gives the most advanced response to the modernizing vision[7].

In the late 1950s and early 1960s, buildings of the aforementioned architects concerning hotel complexes, are recorded as "milestones" in the history of Greek architecture. But this record does not introduce the parameter of holistic designing as one of the criteria which, in our point of view makes furniture a part of an inseparable unity of the designing whole. What is supported is that the result of this approach was to design and produce new forms of furniture, or the selection of furniture and equipment, which follow as a continuation the architectural setting of the hotel complex and the aesthetic choices of the architecture they express. The basic principles followed in the general architectural setting, with regard to the simple form, natural materials, color and textures, as well as the standardization of furniture and equipment, are also key components in the interior design of the Xenia hotel complexes.

Triantafyllidis in his presentation of his project, Xenia of Nafplion (1961)[8], refers to the furniture he has designed and to fabrics, lighting and artwork; he takes care of all these and also charges his contemporary artists with their care. Konstantinidis, in his paper[9] about the first Xenia hotel that he studied and built, that of Andros (1958), mentions inter alia that he had also designed all the furniture (beds, chairs, armchairs, tables, light fixtures) and chosen whatever is needed for the hotel to operate (dishes, glasses, cutlery); he had ornamented (not "decorate") even the bedrooms with his own photos of the stone walls of the island, even for placing sculptures in the reception areas.

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[6] Konstantinidis A., 1992. *Experiences and Events - An Autobiographical Narrative.* Athens: Estia, vol. 1, pp.138-139.

[7] Yiakoumakatos A., 2003. *History of the Greek Architecture: 20th Century*, Athens: Nephele, p. 87.

[8] Triantafyllidis J.,1961. *Xenia Hotel in Nafplion.* Journal '*Architektoniki*', Sep-Oct 1961, issue 29, pp. 23-34.

[9] Konstantinidis A., ibid, p. 270.

N. Valsamakis had taken care of the interiors *using dividing banners and furniture*[10] in both Amalia hotel of Athens (1957) and Amalia hotel of Delphi (1963), where he had given special care to the decoration and furnishing that have been studied so as to complement the architecture of the whole[11], as he himself believes that *"beyond the painting of the facades, a building is completed by the way it is constructed and the arrangement of the interior space"*[12].

All these reveal the strong relationship developed by architects through their entire work, both of the building and the interior and especially of the furnishing.

FUNCTIONAL AND MORPOLOGICAL PRINCIPLES OF "XENIA" AND "AMALIA" HOTELS

A. Konstantinidis building studies and constructions had an exclusive relation with the special functions, the integration of the idea, materials and utility into a whole, something which was his primary concern.
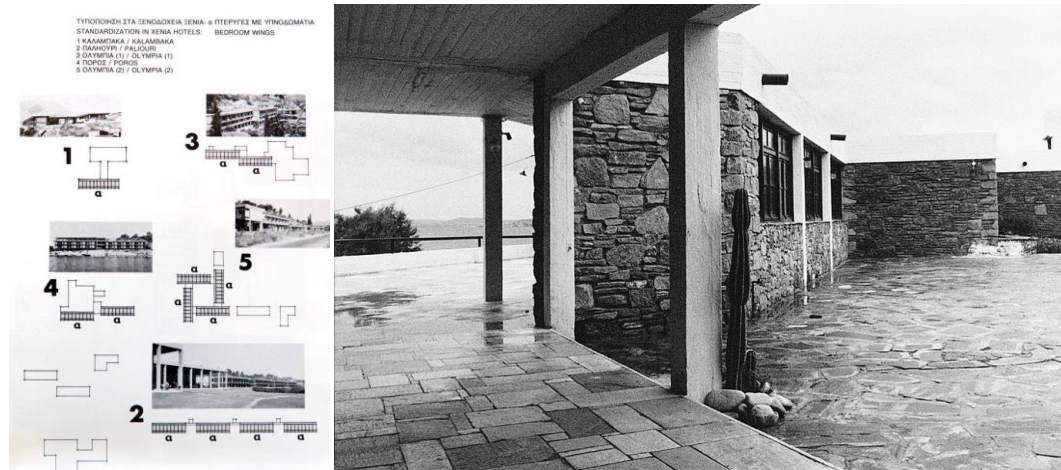
Figures 1,2: left-Standardization in hotels Xenia, wings for rooms, right- Xenia of Mykonos. Architect A. Konstantinidis, source: Konstantinidis A, 1981. Projects + buildings, A. Konstantinidis, Athens: Agra Ed. and A. Konstantinidis, p.218.

In order to understand the case of the designing we will have to look at the design principles that govern the construction logic of these buildings. In the study of 'Xenia' hotels the aim was the standardization, for economic and technical reasons, such as quick execution but also as a mass product production. In an effort to keep the cost low, a rational construction system was applied almost to all

[10] Fessa-Emmanuel E., 1983. *Hotels and Office Buildings by Nikos Valsamakis. Athens:* NTUA, p. 4.

[11] Valsamaki M. - Trantali O., 2007. *Nikos Valsamakis Architect.* Athens: Benaki Museum, p. 64.

[12] *Zygos*, 1962, issue 76, p. 44.

Xenias consisting of reinforced concrete frame (the construction carrying: pillars/columns - beams - slabs) and brick walls, stone or glazings that fill the gaps between the columns of the frame (the structure carried). The frame that is carrying is noticeable almost always and everywhere and stands out from the elements that dress the construction. The columns of the frame are arranged in a rectangular grid (4x4 or 4x6) (figure 1,2) and upon it all spaces (public spaces, rooms) are composed, sometimes smaller and sometimes bigger using multiples of this grid. The furnishing of these spaces is generally in alignment with this logic, i.e. it complies with this grid (using its aliquots) and is "moulded" within the spaces with the adequate fluctuation of their dimensions and the needs they serve.

In this way standardization has been produced in both buildings and the furnishings, so as to apply to all cases. (Figures 3, 4). As Konstantinidis (1992) characteristically mentions: *"Standardization in construction. Savings in material and in construction time. In the construction, the elements that carry, are distinguished from the elements that separate. The form comes out of the sincerity of the construction. In short, one should give as much as possible"* [13].
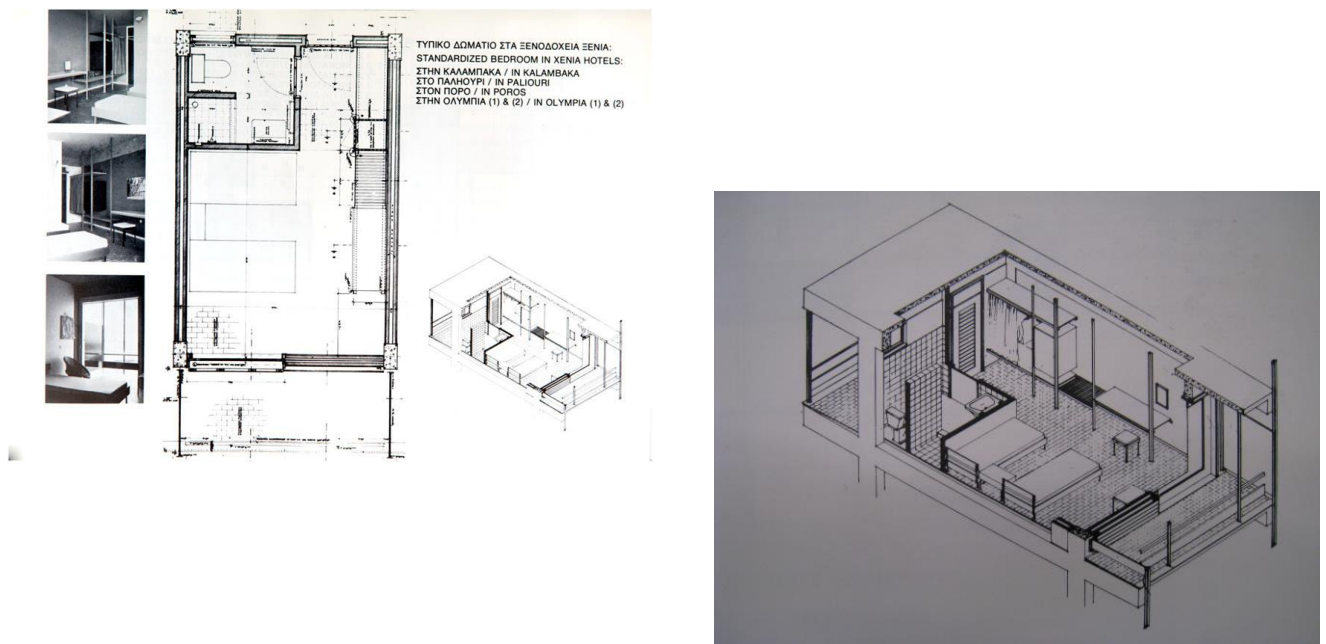
Figures 3,4: Model bedroom in Xenia hotels, architect: A. Konstantinidis, *source:* Konstantinidis A 1981,ibid, p.219.

[13] Konstantinidis A., 1992. *The Architecture of the Architecture*, *Diary Notes.* Athens: Agra ed., pp. 81-82.

Field of pursuit and exploration (if not of experimentation as well) are also the "new" industrial materials in terms of the way they shall be used "... *and whatever would once be achievable only by a wooden structure will now be achievable with materials such as aluminium and slabs of ply wood, as well as slabs of other materials produced by the newest technology*" [14]. In this spirit, A. Konstantinidis summarizes on what architecture should be " *clean, not impressive and domineering, embracing the human being and serve it in all its functional and spiritual needs; it is beautiful when it dominates the materials, it uses without adulterating their features and without distorting them with decorative depositions; we are not to play with it with aesthetic pursuits; it does not speak of monuments, neither it performs or designs for the stage*"[15]. Thus we understand that every architectural act *externalizes internal disciplines[16]*, which in combination with the fact that in the construction one has to find the appropriate and limited materials for each occasion, which must show their characteristics, whether natural or artificial; this act thus emerges balanced, self-evident and unpretentious.

In a "new" or "Modern" building, as well as its furnitures, one must not just read the volume's morphology concerns and pursuits of cubism or expressionism; the building must acquire its substance through its legibly constructing structure and the form should not be depend on covering, coating or upholstery-fabric (if we refer to a piece of furniture) that covers indiscriminately everything[17].

Just as the overall picture is dealt with, so is the partial picture treated - big ones and small ones alike; they all form a unity and form also all together the same synthesis. *"The aim is that the finest detail and the grand total to result from the same origins (spirit, feeling, mood) so as to lead to a simple perfection*. *And that all the constructing components coexist, so when one is missing the others will be lost [18].* Thus the entire architectural work together with the furniture should have some common features, characteristics that lead to the desideratum which is the standardization.

The new hotels of Greek Tourism Organization are thus not only units of operating service but also cores of functional pleasure[19].

With the basic principles of unity, synthesis, sincerity of manufacturing, simplicity and functionality, the design options in the interior and mainly in the selection and design of Xenia hotels furnishing have been sought.

"Addressing "decoration", not as an overlay or fragmentary perception, but as an integral element of the architectural composition and in accordance with the principles of the modern movement. Standardization of equipment is accomplished through the philosophy of the modern movement in most of the hotel units, the clear position of accommodating the needs, the combined use of modern

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[14] Ibid, p. 88.
[15] Ibid, p. 173.
[16] Ibid, p. 262.
[17] Konstantinidis A., 1992. *Contemporary True Architecture*, Athens: Aris Konstantinidis, p. 24.
[18] Konstantinidis A., *The Architecture of the Architecture*, ibid, p. 333.
[19] Konstantinidis A., *Experiences and Events*, ibid, p. 259.

and traditional materials (usually metal and wood) and the aesthetics of the industrial model that dominates, whether this be common (for example Nordic school furniture) or recognizable aesthetically by the uniqueness of its design (for example, Barcelona armchair - L. Mies Van der Rohe 1929, LC2, 3, the grand comfort armchair- Le Corbusier, etc), principles and forms which A. Konstantinidis embraces in a series of furniture he designs for Xenia hotels. And this is not only a position of A. Konstantinidis, but also of other Xenia architects, like J. Triantafillidis etc. Generally, the forms of furniture are geometrical and the natural wood is combined with leather and fabric, which it contributes color-wise to highlighting the geometrical volume. The special structures designed for the public spaces are completely integrated in it (such as bar, reception, shelves, cabinets etc.). The presence of purely decorative elements in the furniture is generally missing, but wherever it can be found it is so percentage-limited that it thereby participates in the simplicity of the space"[20].

The «tradition of the modernity»[21] is the cornerstone in N. Valsamakis architecture, and by extension in the Amalia hotels he designed, especially his first one Amalia in Athens. As mentioned by Valsamaki and Trantali (2007)[22] he adopts certain points-principles in his work, such as not changing style and vocabulary without a reason, the indication that architecture is an abstract composition of lines and volumes, the perfection in the finishing of the designed construction, the luxury of materials and the «classical» design in furnishing. Dimitris Filippidis (1984) characterizes hotel Amalia of Athens, as an alternative project to Konstantinidis' Xenias, incredibly modern for its time. He carries on with the observation: "The Athens Amalia is a minimal and balanced building clad externally with white marble and with sliding aluminum doors and windows .... Particular attention has been given again to the public areas on the ground floor with wood covering ceilings without any visible beams and lighting holes from the open area, neat details in the mezzanine stairwell and continuous glazing behind the protection of the perimeter columns. Valsamakis, innovative as he might have been, was not provocative. This helped to ensure that complaints about his buildings will not be heard, which allowed him to proceed even further to the release of Greek architecture from the "Greek surfaces" in order to approach more courageously Mies (VanDeRohe) and Neutra's typology»[23].

Amalia of Delfoi (1963) is situated nearby the village, on a slope with the sea view. The same design principles- use of grid, wing-system, simple forms, integration of the building in the ground curves, use of model- room, standardization in both buildings and furnishings, are used. The minimal aesthetic choices for the constructive materials (concrete structure, stone walls and floors, plastered white walls) are combined with strong international styled details, as the hanged fire place in the middle of the open living- room. The design of the furnishing pieces and dividing surfaces, and also the use of art works –as the ceramic tiles on the bedrooms' walls, created by John Moralis and Helen Vernardaki characterize by

[20] Georgiadou Z., Frangou D., Marnellos D., 2015. *Xenia Hotels in Greece: A Holistic Approach to Modern Cultural Heritage*, Journal of Civil Engineering and Architecture, vol. 9, no. 2, Feb 2015 (Serial Number 87).

[21] Gombrich E.H., 1979. *The Story of Art*, Oxford: Phaedon Press.

[22] Valsamaki M. - Trantali O., 2007, ibid, p.14.

[23] Filippides, D., 1984. *New Hellenic Architecture*, Athens: Melissa pp 292-294.

the finest details, the contribution to the whole, coming out from the same origins, the same spirit, producing a simple perfection.

DESIGN CHARACTERISTICS OF FURNITURE – CASE STUDies

Xenia of Mykonos (1960) designed by Konstantinidis, is located just outside Chora (the capital) overlooking the sea and the island, consisting of one and two floors seven buildings freely arranged of its parts, achieving in this way a unity with the surrounding nature, due to its particular location. The typology followed is distinguished by its realism and naturally-defined character.

In this Xenia hotel, concrete without plaster was used at first in order to connect the traditional local stone walls and the modern concrete frames. It was a main option to give prominence to the local granite stone, leaving aside the lime that dominated the houses on the island and had been imposed by the Metaxas dictatorship for hygienic purposes. (Figure 5)

In the 1960s Mykonos, thanks to Xenia hotel, enters dynamically in the world map of tourist destinations and bases its economy on this sector. It has been renamed "Mykonos Theoxenia" and renovated by modifying the total of the inner furnishing design turning it to a boutique-hotel and maintaining the original form of the shell. It has come to the hands of private investors and is a member of the Louis group and the Design Hotels of the World. (Figure 6)

Figure 5,6: Xenia of Mykonos, architect A. Konstantinidis. left-General view (1960) , *source: Konstantinidis A (1981), Projects + buildings, A. Konstantinidis, Athens: Agra Ed. and A. Konstantinidis, pp.218.Right-* Inside, current situation*, source: hotel's site.*

Xenia of Poros is located on a small peninsula called Neorio facing the city of Poros and its hill, in an area surrounded by pine trees that end into the sea.

It was designed in 1964 by Konstantinidis.The buildings have a south-east orientation, with capacity of 80 beds, and are developed in four wings of bedrooms, which are connected through the public spaces

and the reception hall. The natural ground curves lead to high gradation and integrate a building height from two to four levels. In the functional and morphological structure of the compound, with the use of grid, the enclosed and covered open spaces follow the built enclosed spaces. Thus two external balconies are created: one internal stone-built and a roof, covered occasionally with cane sun screens with a full view to the sea, are placed. This resort was the first to be assigned to the first private investor in 1981, and was renamed Poros Hotel. Today is under new management and is called Poros Image Hotel [24]. (Figures 7,8)
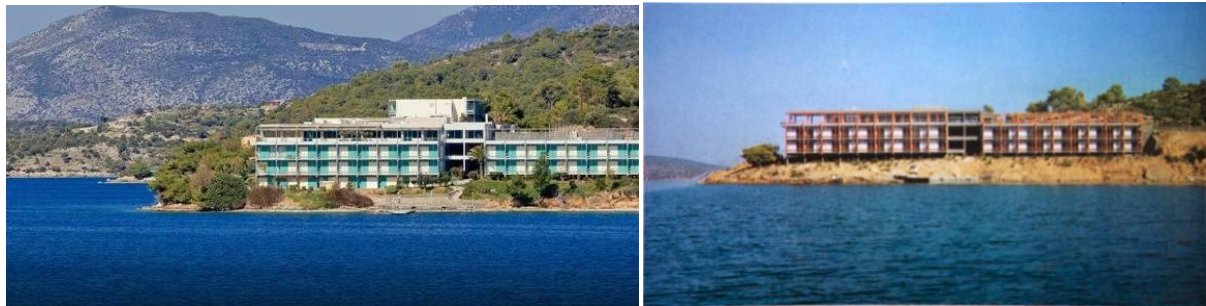
Fig. 7,8: Left-Xenia of Poros, *source Konstantinidis (1992),* Right-Poros Image Hotel, *source hotel's site*

Xenia of Nafplion**,** built in 1958, is situated on the old fort – Acronafplia, in a parallel position standing out from it, overlooking the bay of Nafplion and the sea. The architect is J. Triantaphyllidis and the total capacity of the hotel is 58 rooms, out of which 40 are doubles and 18 singles. The building structure is developed in a single three floors volume. On the ground floor the public spaces are situated, in a direct succession of the closed and open spaces, which cover certain functional needs such as an outdoor restaurant with an open view. (Figures 9,10)

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[24] Georgiadou Z., Frangou D., Marnellos D., 2014. *Xenia Hotels in Greece: Rejection or Re-use? A Holistic Approach*, in the proceedings of the 4th International Conference on Tourism and Hospitality Management, June 19-21 2014, Athens, Greece, ed. D. Laloumis, publ. by Activities for the Development of Tourism and Tourism Education and Tourism Research Institute, p 24.

Figure 9,10: Xenia of Nafplio (1958), architect: J. Triantafyllidis, *source Benaki Museum Photographic Archives, Photographer: D. Charisiadis.*

Today it has come to the hands of private investors, remaining closed[25] and abandoned, almost ruined. (Figures 11, 12)

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[25] Ibid, p. 32 "*The three hotels which consist of the Xenia of Nafplio were leased to private investors in 2000 for a period of 30 years. As it is reported by members of the Parliament, the leaseholder company functions and cashes in on the two of the three hotels, as the third one (designed by Triantafyllidis) remains closed, ten years after the execution of the agreement. The refurbishment of this hotel hasn't taken place although this procedure was included as a term of the agreement. Additionally, although Acronafplia region is part of an archaeological area, which restricts new constructions, the hotel company has already built a new resort besides Nafplia Palace*" Newspaper Avgi, by H. Miliou, 15/08/2010.

Figures 11, 12: Xenia of Nafplio. Today's situation, source: https://nafplio.wordpress.com/2009/03/12/ξενία-1958-2009/, accessed 14/05/2015.

In all three above cases of Xenia hotels, the architects studied all spaces to the last detail. However, in Xenia hotels designed by Konstantinidis, there is a specific typology and standardization in general of the constructions, which are designed at the same time with the building, and particularly of the furniture. The idea of their design and manufacture follows the setting of the building shell itself in the logic of the grid and the frame as well as the other components are carried through it. (Figures 3,4)

A certain aspect that characterizes it, is the model standarized room (Xenia of Kalambaka, Paliouri, Poros, Olympia) which follows the 4x6 m. grid and carries along in this constructive concept, all the sub-spaces organized in it, as well as all the furniture pieces in them. The furniture that composes the typical double room is: the bed (two single beds) with their bedside table, the specially designed complete system containing the closet, the luggage table and the desk-dressing table (within the system of carrier and carried), a seat-stool, as well as a low height side table and an armchair. (Figure 3)

The manufacturing procedure is mainly in accordance with the ideas of industrialization through standardization, of the first (mainly) and the second generation of Modern designers, in order to perceive carrier/carried system at first, and secondly to obtain a clear structure in which all the elements cooperate in supporting the construction by receiving the forces[26].

The system containing the closet, the luggage space and the desk-dressing table is structured within the core idea of the carrier/carried. Carrier is the construction of the frame, essentially four vertical braces (cross section of type 'L') from the floor to the ceiling, at key points and accordingly of horizontal ones in positions where a certain connecting surface is required. As carried function -all the flat surfaces, made either from particle board, covered with formica and strips of wood in the finishing or solid wood (strips of oak wood) for the surface of the luggage -table. The section of the wardrobe is complemented with a sliding protection-hiding curtain of hanging clothes and a cist closet. The image of

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[26] Parmenides G. & Charalambidou-Divani S., 1989, *The Form of the Designed Object: the Problem of Description,* Athens: Paratiritis, p. 126.

this construction points to the image of the building itself within the idea of the supporting frame and in the logic of the building's levels as it was analyzed above. Apart from this fixed structure, a non-fixed system of desk-dressing table and luggage table is designed. The manufacture idea remains the same, with the carrying structure of the frame (cross section of type 'L') dominating as an uninterrupted construction on two levels, and with the same manufacture details. This frame carries at its higher level a construction in the form of an open box, without drawers, made of particle board, covered with formica and wooden strips in the finishing.

At the lowest level it carries oak strips with gaps between them for placing the luggage. (Figure 13). In Xenia of Poros it is used, only with its highest level, as a piece of furniture for the organization of spaces, for placing the lamp fixtures etc. (Figure 14)
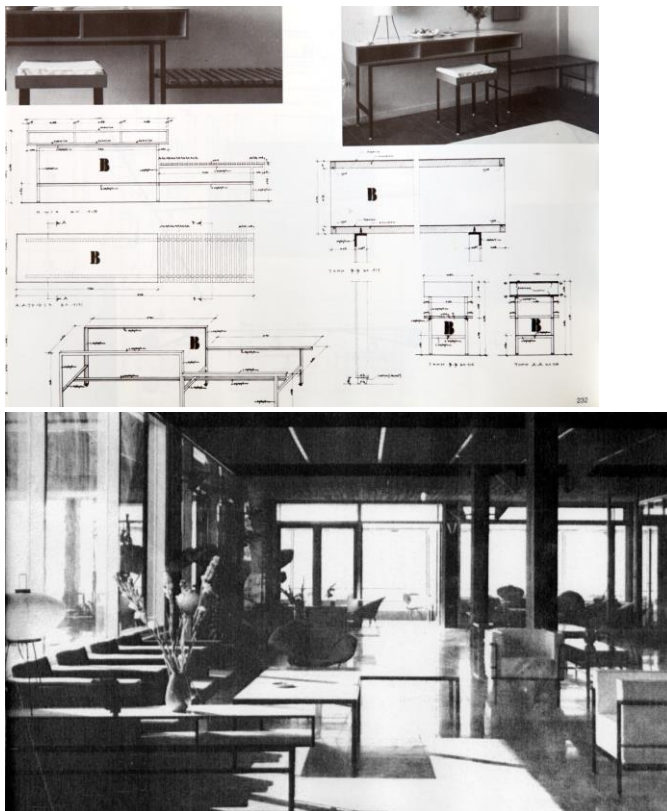
Figures 13, 14: Left- Furniture designed by A. Konstantinidis, *source:* Konstantinidis A., 1981, ibid. p. 232. Right-Hotel Xenia of Poros - architect A. Konstantinidis (1964), source: *journal "Arhitektoniki"*, Sept.-Oct. 1964; yr. H - is. 47 , p.16-31.

The bedroom table, as well as other side- tables, are also made of the same metal frame within the same idea of structure, providing a continuity in its shape, as the final surface placed on top is glass-transparent. (Figure 15)
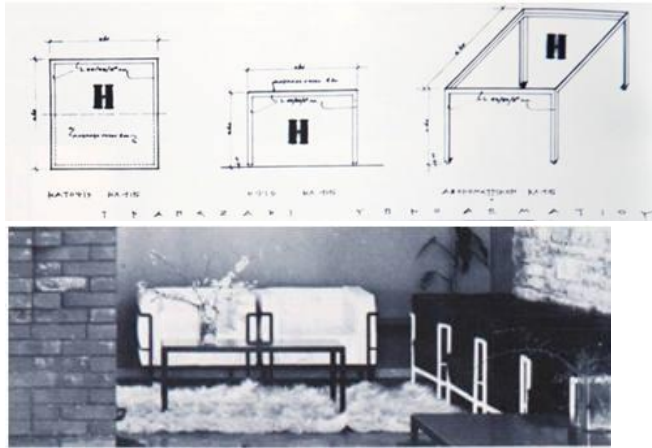
Figure 15: Side and coffee-table at Xenia hotels, designed by A. Konstantinidis, *source:* Konstantinidis A., 1981, ibid. p. 230.

The hall table, as characteristically referred to, in the manufacturing designs, complies with the same design idea (painted metal frame) with a glass surface, but given the specific length, the construction has no longer the form of a framework, focused on length-continuity. This option provides a "transparent" piece of furniture constituting an element that does not impose itself in space. (Figure 16)

Figure16: *Hall table*, *source:* Konstantinidis A., 1981, ibid. p. 229.

The bed is also made of painted metal frame, solid cross section of type 'L' (carrier) with the necessary finishing in its legs for joints, using reinforcing blades. It is a rigid framework upon which the metal construction (spring support/ bedstead) of placing the mattress is suspended. The entire system

takes its final form by placing the composite wood surfaces (carried), with the solid wood finishing all around, for boxing the mattress at the bottom, and the headboard to hold the cushion. (Figure 17)

Exactly the same manufacturing idea we can notice also, concerning the seat-stool as a miniature of the bed. (Figure 18)
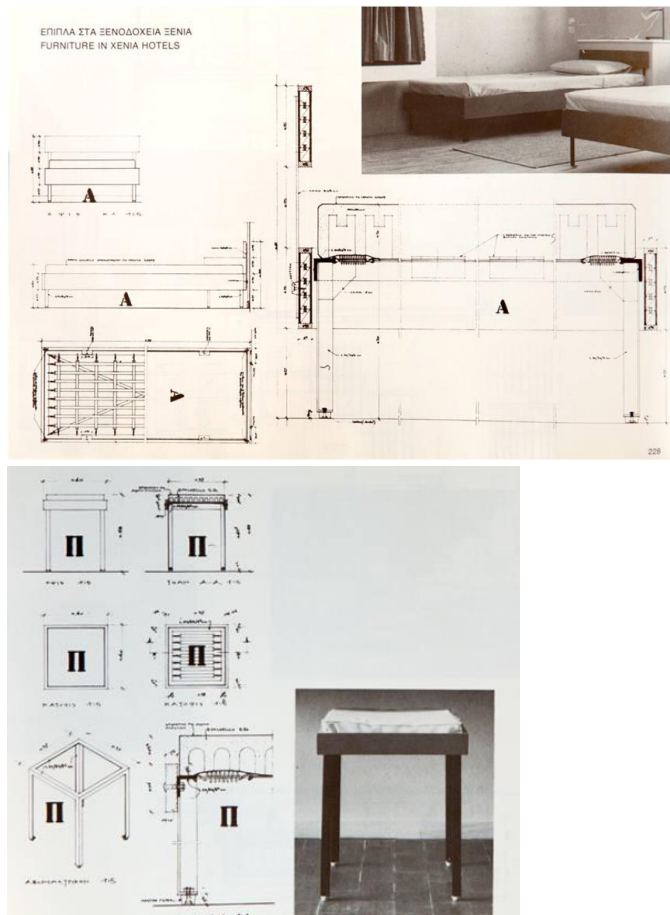
Figures 17, 18: Designs of furniture pieces at Xenia hotels by A. Konstantinidis. Left- Bed. Right- Seat-stool, *source:* Konstantinidis A., 1981, ibid. pp.228-229.

With regard to the design of the seats placed in the public spaces, at least three different types of seats are distinguished, with morphological characteristics that comply with the game between the carrier/carried idea. A typical example is the seat "Grand Comfort" (Le Corbousier, P. Jeanneret, Ch. Perriand, 1928) which is redesigned and used extensively in the Xenia hotels. It consists of a shaped metal frame of circular cross section, painted white or black as opposed to the shiny stainless finishing of the original, for holding-boxing of the cushions and cross section of type 'L' in a frame also painted, which serves as a suspension basis of the bedstead and by extension of the seat. The armchair is completed with the construction of five pillows (three peripheral and two of varying thickness at the bottom) made of foamy material dressed in fabric or leather, in a black with white frame or white with black frame, intending to highlight further the clear manufacturing structure. (Figures 19,20)
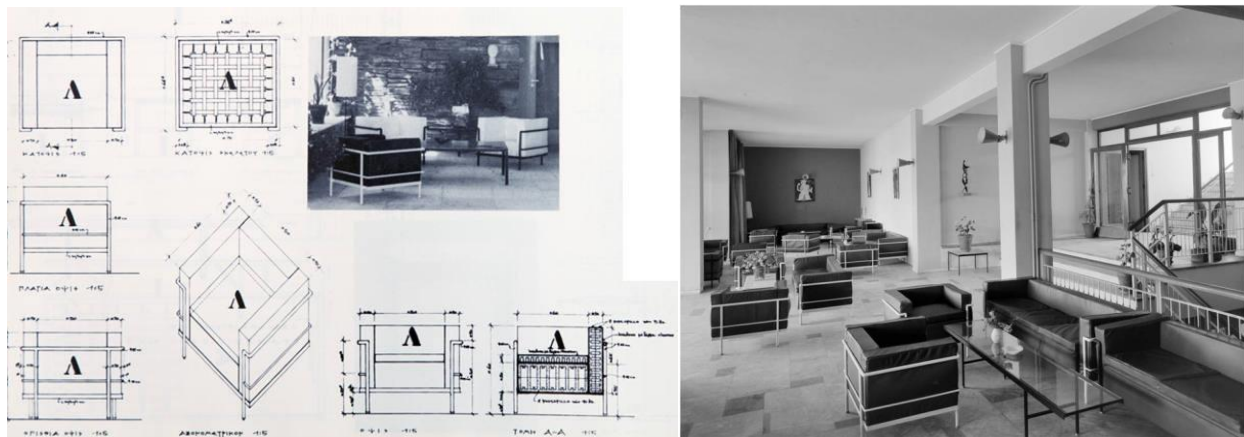
Figures 19,20: Furniture, Xenia hotels. Left- Armchair designed for Xenia Hotels by A. Konstantinidis. S*ource: Konstantinidis A., 1981,* ibid, p. 231. Right- Xenia of Samos, architect K. Stamatis, *source Benaki Museum Photographic Archives, Photographer: D. Charisiadis.*

The choice of the specific seat is made, on the one hand, due to the comfort it provides and the convenience of manufacturing (in the manner it is redesigned) and, one the other hand, because it reintroduces the nature of the material, manipulated through the industrial processing, expressing the possibility of manipulating the matter through the awareness of the new technologies[27]. At the entrance of Xenia of Poros, along with a sculpture by G. Zongolopoulos[28], the image produced is a typical one, that promotes Modernism and demonstrates the connection of the building form with its furniture and the relationship the architect has developed with his design work as a whole. (Figure 21)

[27] Parmenides G. & Charalambidou-Divani S.,1989, ibid, p. 122.

[28] "... When, that is, I had managed to include paintings and sculptures into the hotel buildings, so the qualitative inclusiveness of our architectural work is more convincing ..." Konstantinidis A., 1992, ibid, p. 294.
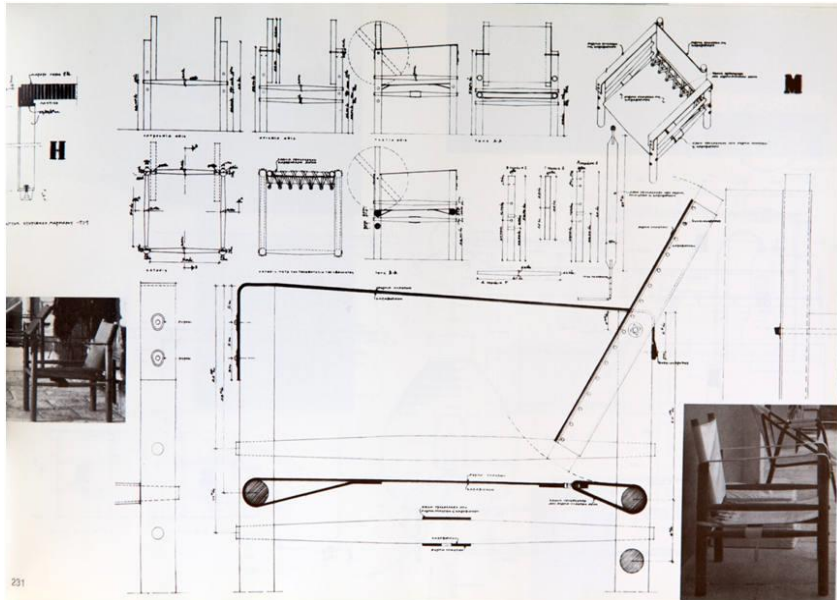
Figures 21,22: Left- Hotel Xenia of Poros, architect: A. Konstantinidis, s*ource journal "Arhitektoniki"*, Sept.-Oct. 1964; ibid. Right-Chair Design for Xenia Hotels by Konstantinidis, *source: Konstantinidis A., 1981*, ibid.,p. 231.

From Konstantinidis' [29] manufacturing seat designs (figure 22) again we can understand the core idea behind the selection and Xenia furniture's design. This seat was a design evolution as it was a redesign of the English colonial chair, in mid-19th century. "*It was manufactured to be used by the British officers in India. It is lightweight, foldable, easy to carry, stable on uneven ground without the risk of breaking and reasonably comfortable. Its parts are joined without glue, but the whole structure stands on, by receiving the forces with a combination of leather strips and thin pieces of wood. It is a typical example in terms of its formal simplicity and independence from decorative elements, resulting from the designer's limited interest in solving the specific operational and technical problem*"[30].

This is K. Klint's [31] "safari" armchair (1933) where the analytical and pure manufacturing process contributes to promote functionality[32]. (Figure 23)

The above analysis determines the choice of the particular seat to meet the needs of both public and private spaces in Xenia hotels. (Figure 24)
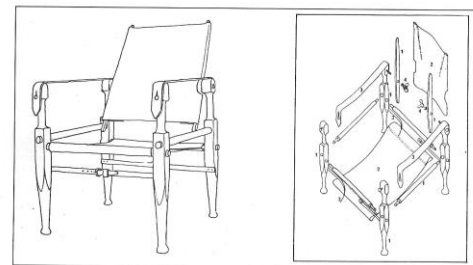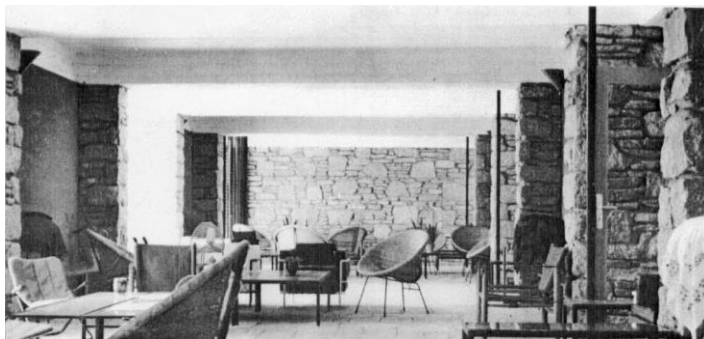
Figures 23, 24: Left- Armchair "Safari" design by Klint K. *Source: Iliopoulos V., 2004. Another way to art, Athens: Ellin ed., pp 28.* Right- Xenia hotel of Mykonos: The main lounge, architect: A. Konstantinidis, *source: journal "Architektoniki"ibid. pp. 92-99.*

Xenia in Nafplion furnishing differs from the above described typology as it was preceded by its design (1958) (figure 25), so the choices are in alignment with the manufacturing principles which rather

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[29] Konstantinidis A., 1981, ibid p. 231.

[30] Parmenidis G., 1984. *The seat in 1920*, Athens: Paratiritis, p. 43.

[31] Kaare Klint, Danish architect and furniture designer, known as the father of modern Danish furniture design. Style was epitomized by clean, pure lines, use of the best materials of his time and superb craftsmanship (1888 - 1954).

[32] Iliopoulos B., 2004. *Another way for Art*, Athens: Hellin, pp. 27-28.

tends to luxury with the selection of wood or its derived products as the dominant material, complying mostly with the core idea of the furniture with a frame, i.e. synthesis' aspects of the first generation of Modern designers. In some cases of furniture and structure where all elements work together in receiving the forces, such as stools and seats in the bar area, design principles of the second generation of modern designers[33]are used. (Figure 26)

Figures 25, 26: Xenia of Nafplio (1958): Hotel's lobby and Bar, architect: J. Triantafyllidis, *source Benaki Museum Photographic Archives, Photographer: D. Charisiadis.*

In the typology of the furniture in the rooms, we notice only movable furniture, as there are no permanent and stable structures and systems. There is no closet as piece of furniture, but there is one at the entrance of the room as part of the structured space in a recess, i.e. between the walls, the front side is covered by a sliding curtain (figure 27). In this case the movable pieces of furniture are the bed, with the separate bedside table at the headboard, the sofa that can be converted into a bed (the concept of flexibility enters), the furniture of desk-dressing table, the seat, seat-armchair, the additional low height table and the additional seat-stool. Normally the furniture is designed for this particular space, so the construction of the bed and the sofa-bed is based on the manufacturing idea of the frame which however in this case is covered because of its use, and the only part that is not covered is the bottom around it for its protection. (Figure 28)

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[33] Parmenides G. & Charalambidou-Divani S., 1989, ibid, p. 126.
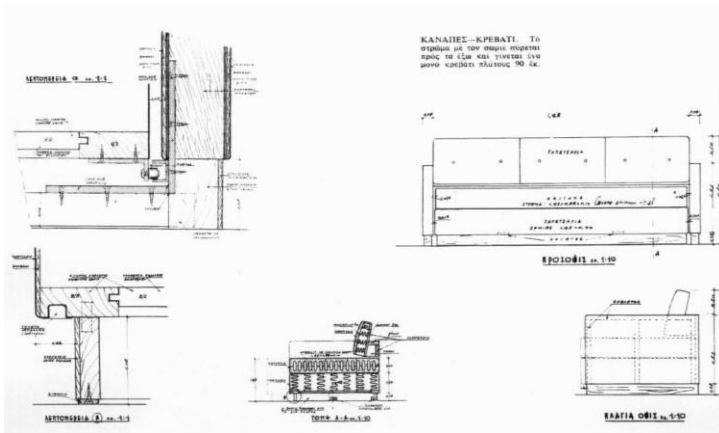
Figures 27, 28: Xenia of Nafplio (1958), architect: J. Triantafyllidis. Left- Hotel's room, *source: Benaki Museum Photographic Archives, Photographer: D. Charisiadis.* Right- Sofa plans, *source: journal "Arhitektoniki" 1961 ; yr E', is. 29, p. 36.*

However, the manufacturing structure of the sofa-bed furniture is carefully designed to solve the finest detail in a combination of traditional (joints of wooden parts) and contemporary techniques (base sliding system); the fabric cover possibly is used in order to have an optical balance between this dual manufacture. The desk-dressing table is one of the most interesting design samples. It is part of the carrier/carried core idea regarding mostly the main part of the furniture (desktop, braces, crosspieces) in relation to the secondary part (dresser) carried by the main part. Of particular interest is the design process of all the individual details that lead to an interesting whole. (Figure 29)
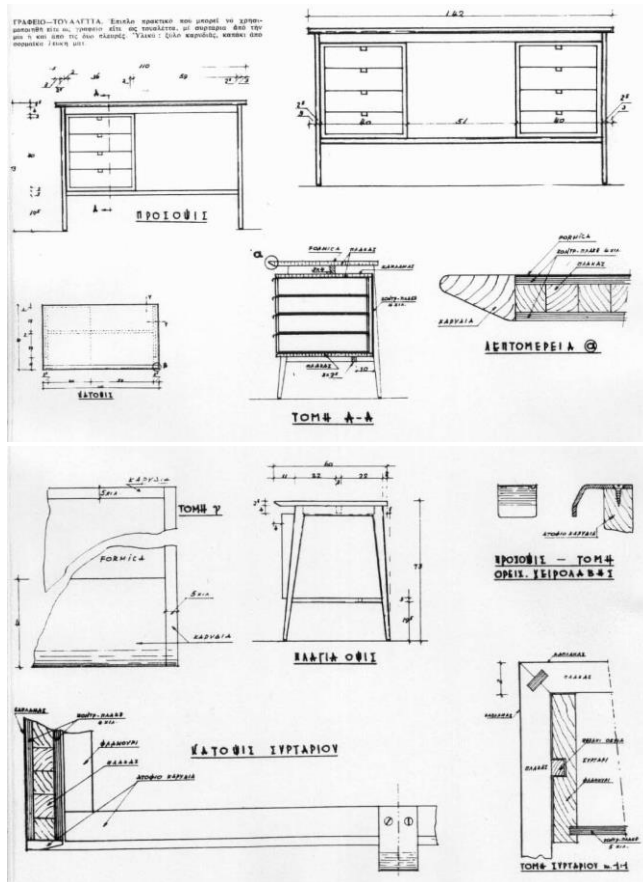
Figure 29: Xenia of Nafplio (1958), architect: J. Triantafyllidis. Desk plans, *source: journal "Arhitektoniki" , 1961, ibid, p. 37.*

This procedure and also the combination of the materials show perseverance in the design and details with parameters, such as the utilization of any technology, quality, economy and standardization. The desktop where a number of materials is used, is a clear example having an effect that complies with the above parameters: the plackage wood, as light material resistant to deformation, covered with plywood with a top finishing of formica, due to its durability and aesthetics (variety of colors); additionally combination of the above described materials with processed finishes from solid walnut wood, an option that gives an extra quality and "luxury" in this furniture that essentially is "connected" to the structure. Special attention in terms of the design is also given to the other items of equipment such as the construction of the "dressing table mirror" with its detailed design and the alternatives of its dressing material (straw, fabric, paper or porcelain tiles with patterns). (Figure 30)

The same manufacturing structure and typology has been applied to the design of the bar, with regard to the counter and showcase, elements designed particularly for this space and are incorporated in it by the construction of the building. (Figure 31).

Another piece of furniture with features that are in line with the core idea of the furniture with frame, is the stool-"tambour". (Figure 30). It consists of two components: shaped solid metal painted frame of circular cross section (carrier) and the cushion made of foam flexible material and plywood (carried) at the bottom dressed with fabric. The construction is simple giving special attention to details, such as the feet's bottom with modular finish.
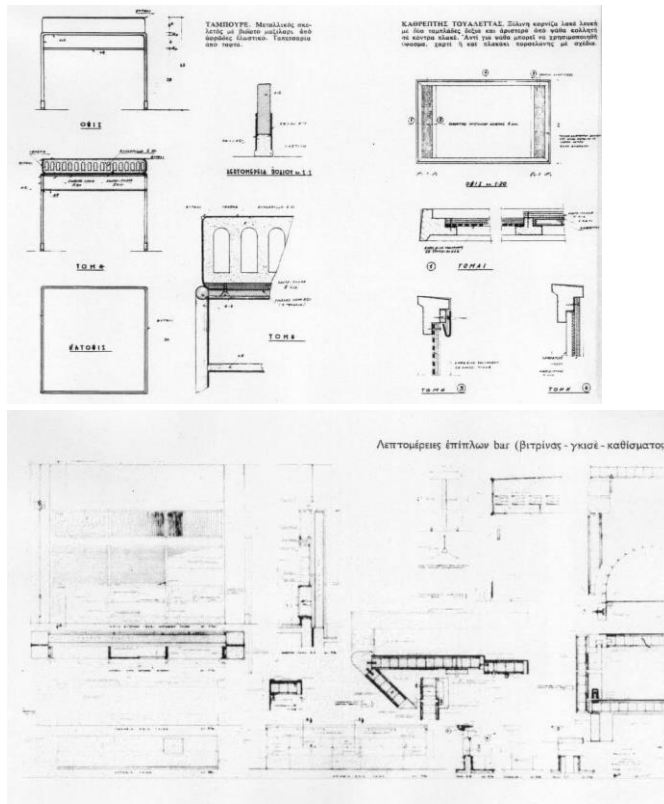
Figures 30, 31: Xenia of Nafplio (1958), architect: J. Triantafyllidis. Left- Plans of stool and mirror. Right- Bar plans and details, *source: journal "Arhitektoniki", 1961,* ibid , p. 36.

Hotel Amalia in Athens (1958) with a capacity of 93 rooms, lounges, breakfast and conference rooms, spread over 11 floors (including the basement), is located at the centre of the city of Athens, on the corner of Amalia and Xenophon streets, near Syntagma square and opposite to the entrance of the National Garden. It is a hotel that is built into the city construction system of continuum, represents one

of the most "classical" complexes of Greek Modernism[34] and is a prominent work of Nicos Valsamakis. Its exterior is in alignment with the architecture prevailing morphology at that time in the centre of Athens (clad with white marble) but also is focused on Modernism. The use of a grid (figure 32) and the separation of the different functions are clearly expressed on the facades of the building. The public areas are placed on the ground and the first floors (with a base subsidence for creating a passageway) and the rooms on the other floors (designed as module rooms). However, in recent years, the interiors have been renovated having as a result, apart from the modification of the arrangement and aesthetics of the original spaces, as the replacement of the whole furnishings originally studied and designed by Valsamakis, has taken place. (Figure 33)

Figures 32, 33: Left Amalia of Athens (1958), architect: N. Valsamakis. *Source Archives of Nikos and Maria Valsamakis' Architectural office, 1958.* Right-The lobby after the renovation, *source Archive of Amalia Group of Hotels, 2006.*

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[34] Fessa-Emmanuel E., 1983, ibid, p. 3.

It is a city hotel where the market demands combined to private investment subject the unfavourable institutional framework (building regulations, etc.) and the underdeveloped structural technology (conventional and low-level construction methods and limited manufactured materials) had to be addressed. The design of Amalia Hotel in Athens, in those years conveys the basic principles applied to the overall architectural composition of the shell, the architecture of interior spaces in terms of the form simplicity, natural materials, color and textures, as well as the standardization of furniture and equipment, in a holistic design concept, and with absolute consistency in the principles of early Modernism. It is an example of architecture of the Modern period, with the persistent study of details and the application of money saving standardization in the configuration of the interiors. (Figure 34-35). In parallel with the combination of luxurious materials, such as domestic marble, wood, aluminium, glass and colors like the natural color of the materials, large light-colored surfaces, vibrant colors on the furniture and curtains, a harmonious and simple result is achieved.
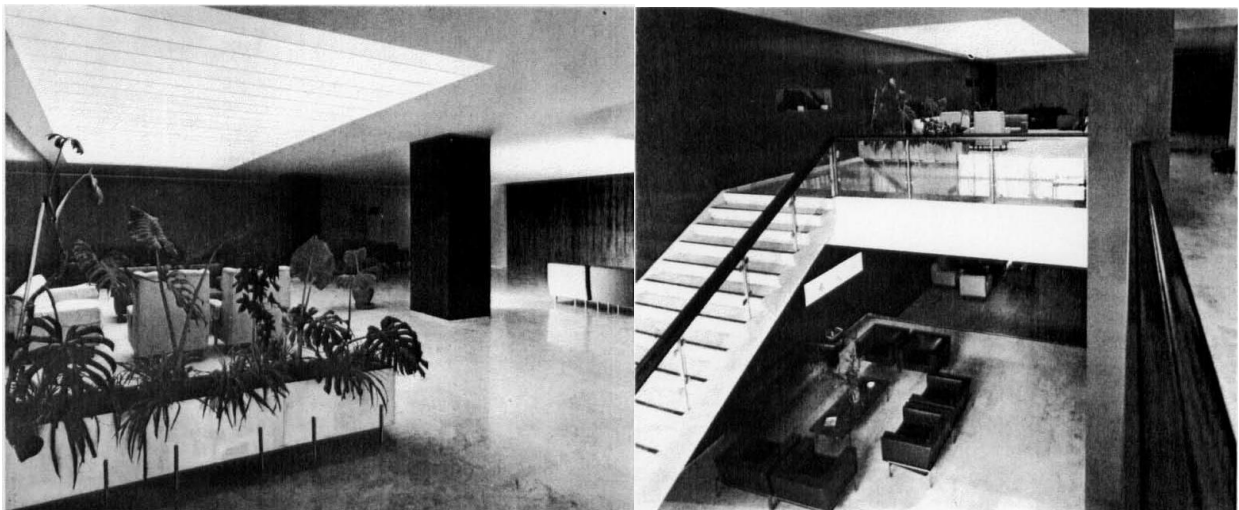
Figures 34, 35: Hotel Amalia of Athens (1958), architect: N. Valsamakis. Left - Lounge in the Mezzanine. Right- Entrance hall and lounge, *source: journal "Arhitektoniki", 1961,* ibid, p. 21 &23*.*

As for the public areas, especially the furnishing, they are highly distinguished for the simple clarity of their forms and materials. The space itself creates stable furniture such as the bar and the reception, which are made of wood with uniform surfaces of bold "stripes", a design that requires special handling of the manufacturing details. (Figures 36, 37). The movable furniture and chairs, mostly of Modern style, and also more classical ones complement the spaces with their presence in bold colors and organized parallelogram formations. (Figure 38).
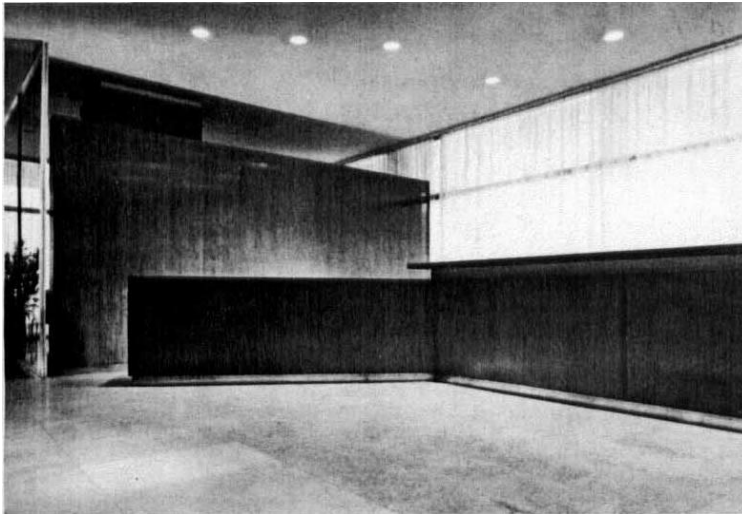
Figures 36,37: Amalia of Athens (1958), architect: N. Valsamakis. Left- bar. Right-reception, *source: Archives of Nikos and Maria Valsamakis' Architectural office, 1958 and journal "Arhitektoniki", 1961, ibid, p. 22.*
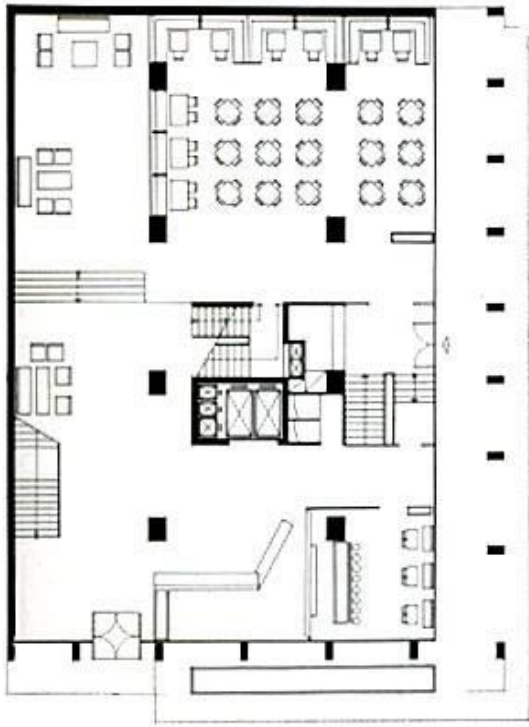
Figures 38, 39: Hotel Amalia of Athens (1958), architect: N. Valsamakis. Left –ground floor's plan. Right-bedroom, *source: Archives of Nikos and Maria Valsamakis' Architectural office, 1958*

The rooms are also designed within the same spirit and ideas. (Figure 39). Beds, nightstands and headboards are made of wood, with simple processing but bold "stripes", with uniform surfaces so as to make one item depend on the other, giving continuity in space, thus all this construction operates

eventually as a organic entity. It establishes a general synthesis based on the principles of Modernism with a simultaneous feeling of luxury, but without leading to excess.

Amalia hotel in Delphi (1963) with a capacity of 400 beds, today contains 185 rooms (before the extension it had 90 rooms), lounges, restaurant, cafe, conference room and shops. It follows an issue in typology initiated by Konstantinidis with a refined approach. The relationship of the building with the natural environment as well as its development in four buildings are characteristic features of the composition. The three wings of the bedrooms are two-floored and were arranged parallel to the contours of the ground, while they became independent from the public spaces building, overlooking the valley of Amfissa. (Figures 40, 41). The private ownership and short stay in this hotel resulted in placing emphasis on the indoor public places in order to keep its customers longer.

Figures 40, 41: Amalia of Delphi (1963), architect: N. Valsamakis. Left – General view (1963), *source: Archives of Nikos and Maria Valsamakis' Architectural office, 1963.* Right-General view (today), *source Archive of Amalia Group of Hotels.*

A characteristic feature of the public spaces is the use of low walls and furniture, all designed by the architect, to organize the different functions of the reception, lobby and sitting room. The use of concrete without any plaster in the carrier-frame and ceilings, of white rough plaster on the wall coating, stone, wood on the door and window frames and slabs of the local Pelion stone as well as wood on the floors, indicate the harmonious coexistence of modern and local characteristics. This synthetic option is complemented and supported by the special emphasis given to the furnishings and the feeling of intimacy, bypassing the impersonal style of a hotel which is actually intended for one or two nights stay. Today it operates without interventions made in the building's interiors, indoor elements and furniture in general, with the exception of the restaurant where pieces of furniture have been removed. (Figures 42, 43).

Figures 42, 43: Amalia of Delphi (1963), architect: N. Valsamakis. Left - living room (1963), s*ource: Arhitektonika Themata*, *is. 1, 1963, p. 200-205.* Right- The living room (2004), *source: Archive of Amalia Group of Hotels.*

The material that dominates the furnishing is wood (natural material) both in the public spaces and the rooms. The rooms, like all the hotel's spaces, use the architectural design elements of the building in plain view and the furnishing comes as a continuance to serve the needs of sleeping, relaxation etc. So the coating of the back-headboard of the beds is made by wood surfaces, which have however visible vertical connections giving sincerity to the construction, which also carry pieces of furniture as the bed, the bedside table, the desk-dressing table, the lamps, etc. (Figure 44). Generally, the core idea of furnishing again, is developed on the basis of the "carrier/carried" type, there is a frame (carrier), metallic (rarely) or wooden, which supports the element that is "carried" (seat, mattress, surface), but at the same time each piece of furniture has a continuity in relation to itself, there are no bold elements of differentiation or decoration. However, the use of wood in furniture is now made in a way that leaves the manufacturing structure clearly visible, as all efforts for "decoration" begin and finish there.

An example is the room armchair (but also the bed) where the parts of the frame are connected with visible joints (figures 44, 45). We can notice particularly the way the feet and the arms are connected in the angular connection (connection with lapped machine- cut dovetail joint) (figure 46) becomes a key element in the design without giving up its main task (stability of individual and total)[35]. This philosophy extends also to the public spaces' furniture, so that the manufactured pieces organize the space in the same idea, as for example, the backs of the seats-couches do in the restaurant, or they have a clearly visible structure as for example the armchairs and stools, whose frame is made of wood, and their seat or the back is a traditional rope knitting creation. Even in cases where it is covered with a pillow, at the bottom or at the back, this manufacturing structure can be seen.

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[35] Iliopoulos B., 1997. *The Form in the Design of Connecting Joints*, Athens: Ion, pp. 38-41.
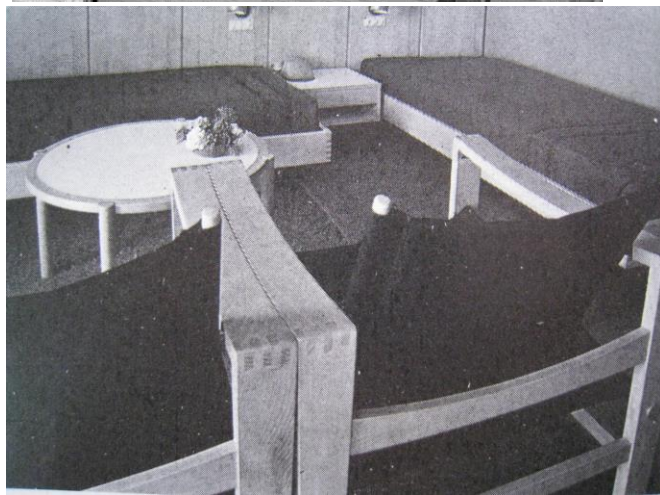
Figures 44, 45: Amalia of Delphi (1963), architect: N. Valsamakis. Left – typical bedroom, *source: Archives of Nikos and Maria Valsamakis' Architectural office, 1963.*. Right- detail of bedroom furniture. S*ource: Arhitektonika Themata*, *is. 1, 1967, p. 200-205.*

A characteristic element in the furnishing is also the bar stool. Its frame (stand/brace) is metallic with solid and visible connection to the floor and the curved seat with screws, while the seat along with the small contiguous back is made from wood and seems to be a monolithic element. Thus it is made with joined pieces of wood (laminated wood beams) in a way that not only -makes them look like a single part, but also their joints are visible without any effort of beautification (paint or coating). The bar itself is structured in the same idea, as its basis is built of stone without any plaster and the top surface is made of natural wood with particular processing and emphasis on the detail, a creation of a handle-rail on the surface finish. (Figure 47).
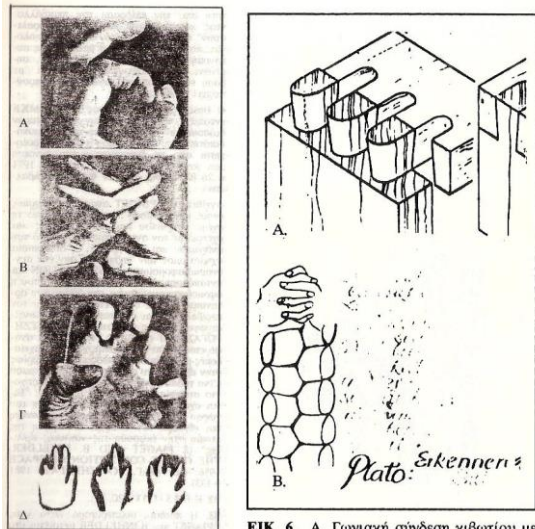
Figures 46, 47: Left – connection with lapped machine- cut dovetail joint, s*ource: Iliopoulos B., 1997, The Form in the Design of Connecting Joints, Athens: Ion, pp. 38-39* . Right- Amalia of Delphi (1963), architect: N. Valsamakis. Detail of the bar and stools, s*ource: Arhitektonika Themata*, *1967, ibid, p. 200-205.*

What the architect of the hotel had set as a goal - the building *"to be "built into" the Delphic landscape"*[36] - applies to the interior spaces too; to be incorporated into the same landscape and also for the furnishing to be incorporated into the "landscape" of its interiors. The manufacturing of the furniture is aligned with

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[36] Valsamaki M. - Trantali O.,1983, ibid, p. 64.

the constructive core idea of the building itself, with the same synthetic-principles to reveal its continuity and organic entity.

CONCLUSIONS

Xenia and Amalia hotels are prominent examples of public and private buildings during the Modernist postwar Greece. Their architectural design characteristics are clearly reflected in their interior spaces and furnishings. The pieces of furniture used, are designed through their rational organization and the industrialization of their elements. Their design moves in a parallel direction with the era of the industrial production by standardizing their parts, a process which is more important than their morphological and symbolic origin. Their design synthesis is expressed through the idea of industrial production process and is based on a certain constructive system. This system is expressed through the carrying frame (carrier), made of materials such as wood-metal ("hard" materials) and the carried elements (carried) made of materials such as fabric-leather ("soft" materials). This design approach, where the structure of the furniture piece can be recognized, is dominant so that this structure takes a form of a symbolic character. Thus the furniture becomes an element that defines the space by the user, and establishes a relationship that is not just a relationship between observer/observation, but this coexistence tends to be transformed in a unsegregated entity. This is expressed even in the manufacturing designs, as for example in Konstantinidis designs for the Xenias, apart from the "orthonormal" projections, axonometric drawings (as three-dimensional and measurable design plans) are also used, an element that defines a three-dimensional space and supports the analysis of the form, of the geometrical aspects, the structure and details of the furniture, but also supports the processing of the space without misuse and distortion.

Through this design approach applied to these furnishings, the architects express common, core ideas of the Modern Movement[37], such as the rational synthesis of the elements and of the form, the management of the industrial production materials, the economy through the simplicity of the form, the rejection of ornamentation, the composition through the functionality of the furniture.

Through the holistic study of the building hotel facilities such as Xenia and Amalia, in an effort to produce furniture with new technologies in the spirit of their period of creation, and the period what was coming very fast, a sequence of phases-pacing was applied which is the understanding of the project, the collection of information, their analysis, the creative procedure, the general control, the standardization of the parts.

Through this exploration of the functional and morphological principles applied to the furniture design during the period of Modernism in Greece, we understand that for the architects the natural-organic nature of the form is conceived as a system of forces which is crucial for the form. The form is materialized with the least amount of material possible (exploiting the material and its geometry) to

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[37] Parmenides G. & Charalambidou-Divani S.,1989, ibid, p. 113.

receive the static forces (and not with the mass) and expresses a dynamic conception of the matter that is consistent with the modern concept of design.

So we can understand Marcel Breuer's [38] words about the new Architecture and the Modern furniture design during that period: "*The origin of the Modern Movement was not technological, for technology had been developed long before it was thought of. What the New Architecture did was to civilize technology. There are certainly new materials ... and ... the modern designer tries to understand their laws without bias. He/she tries to find the language of their forms. But the foundation of the modern architecture is neither the new materials nor the new form, but rather the new spirituality. The Modern Architecture would still exist even without the reinforced concrete. It would exist in stone, wood or brick*"[39].

The new spirituality of this era was expressed through the overall building-interior design with particular emphasis on the furniture of the hotels during the period of the Greek Modernism, through the design of Xenia and Amalia hotels. (Figures 48-57).

Figures 48, 49: Left – Xenia of Mykonos. Right- Interiors – Xenia of Mykonos, architect: A. Konstantinidis*, source: journal "Arhitektoniki" 1960 ; yr Δ', is. 22-23 p. 92-99.*

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[38] Marcel Lajos Breuer (1902-1981), architect and furniture designer. He studied and taught at the Bauhaus in the 20s, stressing the combination of art and technology.

[39] Parmenidis G.,1984, ibid, pp. 197-198.

In most of the buildings that are listed mainly in terms of the shell, i.e. morphological elements, method and time of manufacture, etc., the interior is more rarely examined, such as constructions or furnishings (usually not preserved) and complies with the period during which the building was designed and constructed. Under certain circumstances and beyond the legal framework, the protection of the architectural project in its whole should be considered. The benefit is multiple, mainly the building is overall preserved and creates targeted destinations so that a kind of cultural tourism is organized addressing the broader circle of people involved in art or architecture, and more. The visit but mainly the stay in such a hotel or in a network of hotels that maintain their organic entity, as the morphological and aesthetic standards of the time they were created, would be in itself a tourist experience enhancing and developing further the "architectural tourism" [40].
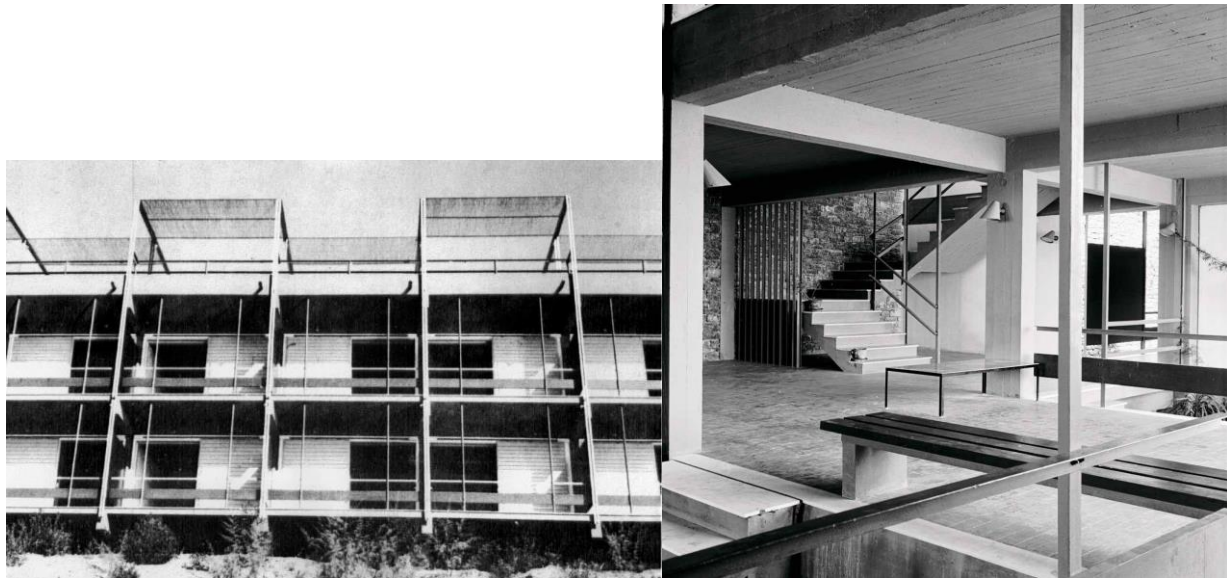
Figures 50,51: Left – Xenia of Poros, s*ource: journal "Arhitektoniki" 1964 ; yr H', is. 47 p. 16-31.*Right-Interior – Xenia of Poros Andros, architect: A. Konstantinidis, s*ource: http://blog.sias.gr/buildingstories/643-to-be-traditional-is-to-be-contemporary-part-02-infrastructure-in-post-war-greece , accessed 14/05/2015.*

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[40] "Studies show that 63% of tourist visitors in a city are involved in an activity that is directly related to the architecture". Website: www.greekarchitects.gr/gr/architraveling, Alexios Vandoros, Sandra Kalliagra, Anagnostou Maria, 10/06/2011, accessed 25/05/2015.

Figures 52, 53: Left – Xenia of Nafplio, s*ource: http://www.tourismlandscapes.gr/content/1960-xenia-hotel-nafplio-ioannis-triantafyllidis , accessed 14/05/2015.* Right- Interior – Xenia of Nafplio, architect: J.Triantafilidis, s*ource: journal "Arhitektoniki" 1961 ; yr E', is. 29 p. 23-34.*
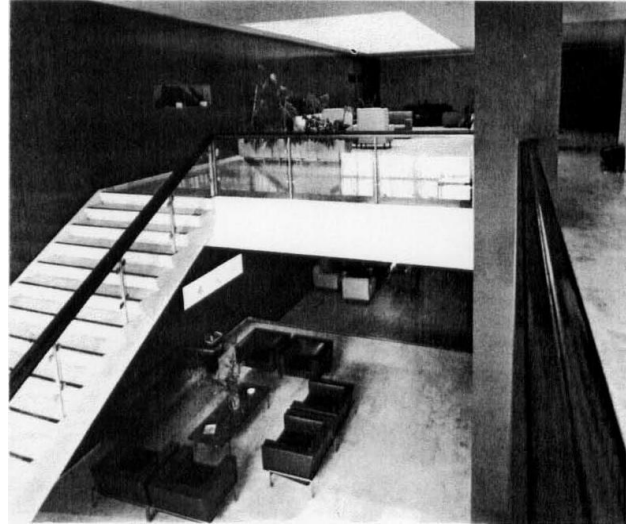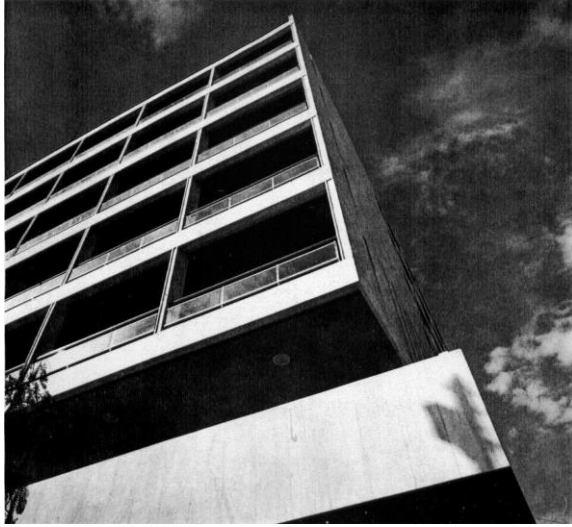
Figures 54, 55: Left – Amalia of Athens. Right- Interior – Amalia of Athens, architect: N. Valsamakis, s*ource: journal "Arhitektoniki" 1963 ; yr Z', is. 41 p. 20-23.*

Figures 56, 57: Left – Amalia of Delfoi. Right- Interior – Amalia of Delfoi , architect: N. Valsamakis, s*ource: http://domesindex.com/buildings/3enodoxeio-amalia-stoys-delfoys/, accessed 14/05/2015.*

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ABSTRACT

Special offers earn growing interest in the international hospitality industry. As an example, HRS Deals enlarged the application area from national to international contexts. However, consequences of such special offers are still underresearched. Besides first insights from an empirical study with a sample of about 100 German hotels presented in 2014, only few research on that interesting and timely topic is available. Therefore, we carefully collected data on 339 international hotels that participated in a special offer between August 2013 and November 2014. Our efforts in collecting this data were twofold. First of all, we collected variables that are available from the respective special offer (e.g., discount, number of stars, evaluation). Moreover, we complemented this data with information gathered via an intense Internet inquiry (e.g., distance to main station, number of inhabitants of the respective town).

Our analysis shows that the original price varies from 38€ to 275€ (M = 113€; SD = 37€) with a discount from 48% to 66% (M = 51%; SD = 3%). Even more interestingly, the quality indicated by guest evaluations was quite high in all hotels (M = 77%; SD = 11%) and correlates significantly with the number of stars (M = 3.7; SD = 0.6). A special focus of this year's study was on the offered additional benefits. Overall, 1 to 13 (M = 4; SD = 2) additional benefits were offered. Some additional F&B was included in 40%, spa entrance in 45%, parking in 49%, Breakfast in 54%, and Internet access in 78%. Therefore, Internet access remains the most important additional benefit in such special offers.

Our additional Internet inquiry resulted in an average capacity of 129 rooms (SD=187; min=5; max=2500) much higher than in the German subsample. The average distance from the hotel to the main train station was quite low (M=16km; SD=29km; min=0km; max=300km). The number of inhabitants varies from 50 to more than 20 Million. First analyses indicate that the offered discount is very stable. However, as larger the town, the lower the hotel's guest evaluation and the lower the amount of additional benefits are. Despite capacity and some details on the additional benefits, no significant differences between private and chain hotels are observable. Further results based on multiple regression analyses are presented at the conference.

Keywords: Special Offer, International Hotel Market, Empirical Analysis

INTRODUCTION

During the last few years special offers typically distributed via relatively new online channels earned growing interest by hotel managers and customers. However, scholars missed the chance to evaluate the nature of these offers in a systematic way. Therefore, this paper focuses on special offers in the German hotel market. Although other suppliers such as the international corporation TravelBird or the German speaking portal ab-in-den-urlaub-deals.de are present, this paper focuses on special offers by HRS (Hotel Reservation Service) covering more than 250 000 hotels worldwide and having about 80 million users per year (HRS, 2014a). As such HRS in general and HRS Deals in particular represent the most valuable example for the German hotel market.

Figure 1: Example of a HRS Deal

Figure 1 shows a typical example of such a HRS Deal (HRS, 2014b). The website offers additional information about the respective hotel, including some photos, the relevant location and the evaluation

of former guests. The subsequent paragraph provides some more information about the observable phenomenon of these special offers in the German hotel market.

Characterization of the phenomenon in practice

HRS guarantees three specific criteria (HRS, 2014c). First, every offer involves a top-hotel with at least 50% discount. Second, it compromises hotels with three to five stars. Third, chosen hotels are characterized by a high guest valuation. Moreover, each offer runs for five days, whereby customers have the possibility to be informed via a daily e-mail newsletter. Contrary to other special offers based on a voucher system, customers directly book a certain date as current room availabilities are visible on the Internet site of HRS Deals.
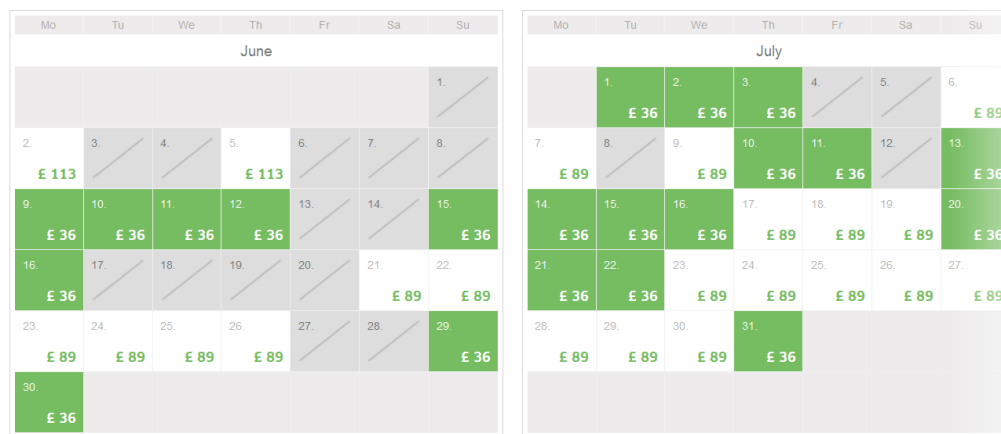
Figure 2: Example of a HRS Deal

Figure 2 shows an overview of room availabilities in relation to the introducing example above (HRS, 2014b). As each special offer faces a limited contingent of rooms, this illustration shows that – depending on the targeted arrival and departure – room prices vary between the lowest price of £ 36 and the regular price. Moreover, under some circumstance the available rate exceeds this value resulting in a room price of £ 113. However, during some periods of time all capacities are occupied. Finally, it is to highlight that customers pay when departing from the hotel. Therefore, the required credit card is only necessary for guaranteeing the room (HRS, 2014c).

Procedure of Analyzing the Special Offers

We carefully collected data on 107 hotels that participated in a HRS Deal between August 2013 and January 2014. Our efforts in collecting this data were threefold. First, we operationalized variables that were directly available from the respective special offer. Second, we complemented this data with information gathered via an intense Internet inquiry. Third, we called the hotels for collecting some more information on their pricing strategy and offer satisfaction.

Data Taken from the Special Offer

First of all, we were interested in the most important and obvious data point: the discount offered by the respective HRS Deal. As such, we collected the resulting discount score in two ways: First, as an absolute number indicating the percentage of that discount. Second, as a dummy variable indicating if the discount is higher than the minimum of 50% required from HRS (1 if the discount was higher than 50%; 0 otherwise).

Moreover, we also recorded the absolute room price to control for effects of premium hotels. In a similar vein, we captured the number of stars from three to five, whereby superior hotels got .5 stars. As an example, a four star superior hotel was included with 4.5 points in that category.

In addition, as every special offer clearly indicates the hotel's name, it was possible to generate another dummy variable accounting for the character of chain hotels. This variable is 1 if the hotel belongs to a hotel chain and 0 otherwise.

Finally, we counted the number of additional benefits provided by the respective special offer such as free parking, free usage of Internet access or spa, a bottle of water, or free fruits at arrival. As breakfast was included in every special offer, we only counted additional benefits here. Therefore, our introducing example would have earned four points.

Another two dummy variables were introduced to account for the location of the hotels. One represents the location within a major city with more than 100 000 inhabitants, the other one for a location within a metropolitan area with more than 500 000 inhabitants.

Data based on Internet Inquiry

In addition to the data directly observable in the special deals, we employed an intensive Internet inquiry to find some more detailed information about the hotel. First of all, we looked for the average room size as an indicator of quality. Hereby, we careful looked at accordance of categories. Hence, if the special offer included a junior suite, we also looked for the average size of this junior suite at the website. We were able to gather this information from 64 hotels.

Similarly, we looked for the total number of rooms in the hotels accounting for their capacities. 88 hotels out of our data set offer this information on their Internet site.

To account for the geographic distribution along Germany, we took into consideration the postal code of each hotel. As these codes follow a specific logic from north to south and from east to west, this is a good indicator of geography.

Finally, we were interested in some more detailed information concerning the specific geographic situation. Taken the example above, there is a huge difference if the hotel is located in the centre of

Bremen or in the suburbs. Neither the postal code nor our dummy variables concerning being part of a major city or a metropolis nor any other information from the special offer is able to account for this circumstance. Hence, we needed to construct a respective measurement. Therefore, we calculated the distance by car from the hotel to the main station of the respective city. To ensure highest quality data, we always followed the same request: We typed in the hotel's address and calculated the route to the main train station of the respective city. The first result from Google's Maps in kilometres were taken to deny any errors due to the usage of different motorways.

Similarly, some hotel's unique selling proposition is not city-centred. Instead, these hotels focus on other points of interest (POI) such as airports or recreation areas. Therefore, we calculated the distance towards these specific POIs in a similar way. We were able to identify 82 POIs.

Data Taken from Mystery Calls

To really understand a hotel manager's intention behind participating in such a special offer, we called the hotels. However, as German managers are typically very conservative in communicating business-related details to universities for research reasons, we followed another concept: Mystery calls. For collecting unbiased and true information we designed a unique way to gather this information.

We called each hotel by telling them that we, unfortunately, missed the five day deadline of the deal and kindly asked for the same or another discount. As an additional option, we asked if the hotel is planning a similar special offer for the future months as we indicated to be very flexible concerning the date of our stay. During the resulting conversation about the hotel and such special offers in general, we tried to find out about the general satisfaction of the respective employee with these deals. Therefore, we recorded the perceived satisfaction score on a scale from 1 [low] to 10 [high], evaluated from the interviewer.

Descriptive Analysis and Correlations

Table 1 summarizes our variables concerning their minimum and maximum value, their mean and standard error, their standard deviation, and their skewness and kurtosis including the respective standard errors.

Table 1: Descriptive Analysis of Data

	Min	Max	M	SE	SD	SK	SE	K	SE
Dependent Variables									
(1) Discount	50	62	51,8	0,3	2,8	2,0	0,2	3,7	0,5
(2) Discount above 50%	0	1	0,5	0,0	0,5	-0,2	0,2	-2,0	0,5
Independent Variables									
(3) Offering Price	29	129	51,2	1,5	15,5	1,8	0,2	6,4	0,5
(4) Stars	3	5	3,7	0,1	0,5	-0,3	0,2	-0,8	0,5
(5) Room Size	10	65	24,6	1,0	8,2	2,3	0,3	8,9	0,6
(6) Hotel Chain Industry	0	1	0,7	0,1	0,5	-0,9	0,3	-1,2	0,6
(7) Additional Benefits	1	9	4,0	0,2	1,8	0,6	0,2	0,0	0,5
(8) Capacity	25	360	120,7	7,6	71,7	1,2	0,3	1,0	0,5
(9) Major City	0	1	0,7	0,0	0,4	-1,0	0,3	-0,9	0,5
(10) Metropolis	0	1	0,6	0,1	0,5	-0,4	0,3	-1,9	0,5
(11) Postcode	n/a	n/a	n/a	n/a	n/a	0,0	0,2	-1,3	0,5
(12) Distance Main Station	0	78	14,0	1,7	16,6	1,7	0,2	2,7	0,5
(13) Distance POI	0	418	23,3	5,4	49,2	6,6	0,3	52,2	0,5

Notes:

Min = Minimum; Max = Maximum; M = Mean; SE = Standard Error

SD = Standard Deviation; SK = Skewness; K = Kurtosis.

First results for the interrelation of these variables can be found when looking at their correlation coefficients as illustrated in Table 2.

Table 2: Correlation Coefficients

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Dependent Variables													
(1) Discount	1	**0,91****	-0,02	**0,21***	0,03	**-0,27***	**0,28****	0,01	**-0,38****	**-0,39****	0,01	0,13	0,21
(2) Discount above 50%	**0,82****	1	0,00	**0,25***	0,01	**-0,23***	**0,28****	0,01	**-0,29****	**-0,35****	0,11	0,13	0,18
Independent Variables													
(3) Offering Price	-0,02	0,00	1	**0,32****	0,23	**-0,38****	**0,24***	**-0,22***	-0,16	**-0,33****	0,04	**0,21***	0,06
(4) Stars	**0,18***	**0,24***	**0,27****	1	**0,32***	-0,05	0,18	**0,44****	**-0,21***	-0,18	-0,08	0,15	0,12
(5) Room Size	0,02	0,01	0,17	**0,26***	1	0,23	**0,27***	0,20	-0,22	-0,14	-0,21	0,08	-0,06
(6) Hotel Chain Industry	**-0,24***	-0,23	**-0,32****	-0,05	0,20	1	**-0,31****	**0,48****	**0,26***	**0,32***	0,02	-0,07	-0,20
(7) Additional Benefits	**0,22****	**0,25****	**0,18***	0,15	**0,19***	**-0,27****	1	-0,15	**-0,48****	**-0,51****	0,04	**0,22***	0,10
(8) Capacity	0,01	0,00	-0,15	**0,34****	0,14	**0,40****	-0,11	1	0,07	0,18	0,06	-0,01	-0,08
(9) Major City	**-0,34***	**-0,29****	-0,14	**-0,21***	-0,19	**0,26***	**-0,43****	0,06	1	**0,82****	-0,02	-0,07	-0,16
(10) Metropolis	**-0,35****	**-0,35****	**-0,28****	-0,17	-0,12	**0,32***	**-0,45****	0,15	**0,82****	1	-0,05	-0,13	**-0,28***
(11) Postcode	0,00	0,09	0,03	-0,06	-0,14	0,01	0,03	0,04	-0,02	-0,04	1	-0,12	0,06
(12) Distance Main Station	0,09	0,11	0,14	0,11	0,06	-0,06	**0,17***	-0,01	-0,06	-0,11	-0,08	1	**0,39****
(13) Distance POI	0,15	0,15	0,04	0,10	-0,04	-0,16	0,07	-0,06	-0,13	**-0,23***	0,03	**0,27****	1

Notes:

Below diagonal Kendall-Tau-b; above diagonal Spearman-Rho.

** p < .01; * p < .05; two-tailed.

For reasons of convenience, significant correlation coefficients are marked in bold. Interestingly, the respective discount correlates with the number of stars (positive), the belonging to a hotel chain (negative), the number of additional benefits (positive) and the dummy variables for major cities and

metropolises (both negative) on a significant level. Obviously, some variables account for the same phenomenon inducing the problem of multi-collinearity in regression models.

Statistical Results

To illuminate the effects of each variable on the absolute discount, eleven regression models were run. Table 3 presents the results of these analyses, whereby significant coefficients are marked in bold. Again, the belonging to a hotel chain (negative), the number of additional benefits (positive) and the dummy variables for major cities and metropolises (both negative) show significant results.

Table 3: Results of Linear Regressions

	Dependent Variable: Discount (Linear Regression)										
Independent Variables											
Offering Price	-0,03 0,73										
Stars		0,08 0,43									
Room Size			-0,06 0,64								
Hotel Chain Industry				**-0,21 0,08**							
Additional Benefits					**0,24 0,01**						
Capacity						-0,06 0,58					
Major City							**-0,30 0,00**				
Metropolis								**-0,24 0,04**			
Postcode									-0,03 0,79		
Distance Main Station										0,10 0,30	
Distance POI											0,06 0,58
Statistics											
Adjusted R Square	0,00	0,00	0,00	0,03	0,05	0,00	0,08	0,04	0,00	0,00	0,00
Sig. Change in F	0,73	0,43	0,64	**0,08**	**0,01**	0,58	**0,00**	**0,04**	0,79	0,30	0,58

Notes:
The first black scores indicate the respective values for Beta; the second grey scores indicate the respective values for significance.

Following a similar procedure, Table 4 shows the results of logistic regressions on the dummy variable indicating a discount higher as 50%. Additionally to the results presented above, the number of stars (positive) and our two distance measurements (both positive) become significant.

Table 4: Results of Logistic Regressions

	Dependent Variable: Discount above 50% (Logistic Regression)										
Independent Variables											
Offering Price	0,00 0,99										
Stars		**0,97** 0,02									
Room Size			-0,03 0,34								
Hotel Chain Industry				**-1,12** 0,05							
Additional Benefits					**0,38** 0,00						
Capacity						0,00 0,76					
Major City							**-1,46** 0,01				
Metropolis								**-1,60** 0,00			
Postcode									0,00 0,20		
Distance Main Station										**0,03** 0,07	
Distance POI											**0,02** 0,10
Statistics											
Cox & Snell R-Quadrat	0,00	0,06	0,02	0,05	0,10	0,00	0,09	0,12	0,02	0,04	0,05
Nagelkerkes R-Quadrat	0,00	0,08	0,02	0,07	0,13	0,00	0,11	0,16	0,02	0,05	0,07

Notes:

The first black scores indicate the respective values for B; the second grey scores indicate the respective values for significance.

Detailed results are available upon request.

To better interpret the results of these two different regression analyses, Table 5 presents a synopsis illustrating these results in a condensed way. Therefore, the results are categorized in three parts. First, variables without significant results neither within linear nor within logistic regressions are presented. Second, robust significant variables in both analyses are shown. Third, mixed significant variables are illustrated.

Table 5: Overview of both Regression Analyses

	Synopsis of Linear and Logistic Regressions			
Non-Significant Variables						
Offering Price	-0,03 0,73	0,00 0,99				
Room Size	-0,06 0,64	-0,03 0,34				
Capacity	-0,06 0,58	0,00 0,76				
Postcode	-0,03 0,79	0,00 0,20				
Robust Significant Variables						
Hotel Chain Industry			**-0,21** 0,08	**-1,12** 0,05		
Additional Benefits			**0,24** 0,01	**0,38** 0,00		
Major City			**-0,30** 0,00	**-1,46** 0,01		
Metropolis			**-0,24** 0,04	**-1,60** 0,00		
Mixed Significant Variables						
Stars					0,08 0,43	**0,97** 0,02
Distance Main Station					0,10 0,30	**0,03** 0,07
Distance POI					0,06 0,58	**0,02** 0,10

Notes:

The first two scores represents the results of linear regressions.

The second two scores represents the results of logistic regressions.

Detailed results are available upon request.

Conclusions

This study was set out to broadening our understanding of special offers in two dimensions. First, we looked at antecedents, i.e., at variables that are able to explain the nature of offered discounts. Second, we regarded consequences of participating in such special offers from the perspective of hotel managers. As such, our results contribute to our understanding of the phenomenon of special offers in the German hotel market.

On the one hand, our statistical results show some solid insignificant determinants. First, the price of each offering does not affect the discount. This is somewhat surprising as one could have argued that higher prices will lead to higher discounts to attract guests. Second, the average room size does not affect the discount. Therefore, a suspicion that smaller rooms will lead to higher discounts does not find support. The same holds true for the overall capacities as larger hotels could be seen as potential suppliers of higher discounts. Finally, we did not find any effect on geographic distribution along Germany.

More interesting, the analyses found some important significant results. First, belonging to a hotel chain is an important determinant on special offers' discounts in two dimensions. Although hotel chains participate in these offers (51 offers), they typically do not offer more than 50% discount, i.e., the minimum required discount to benefit from HRS deals. Especially the result of the logistic regression shows that hotel chains prevent higher discounts. Second, the number of additional benefits positively influences the discount. One explanation here could be that hotels with lower attractiveness need to offer more benefits and a high discount together in order to attract more guests. Third, both belonging to a city or a metropolitan area decreases the respective discount. As hotels in such an area typically show a higher average bed occupancy rate, this result is in accordance with what we have expected.

Finally, our analyses also offer some mixed significant results. While the number of stars and our distance measurements do not affect the absolute discount, there is an effect concerning our dummy variable. As such, the higher the number of stars, the higher the probability of a discount higher than 50%. The same holds true for our two distance measurements: The higher the distance to the main station or another point of interest, the higher the probability of a discount higher than 50%.

On the other hand, our mystery calls indicated that 35 hotels also propose a special offer after the official booking deadline when mentioning the expired HRS Deal (M=13%; SD=15%; max=51%). While the perceived satisfaction of participating hotels was 5.8 (SD=2.3), 30 hotels indicated to proceed in offering such special offers, whereby only five hotels clearly denied. This indicates a high general satisfaction with such special offers.

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of May 2014.

CHANGE THE PERSPECTIVE! SUCCESSFUL AND EFFICIENT CORPORATE SOCIAL RESPONSIBILITY REPORTING IN THE HOSPITALITY INDUSTRY

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ABSTRACT

The reporting of Corporate Social Responsibility (CSR) in hotels plays a crucial role in the assessment of their sustainability activities. Research shows, that if the CSR commitment of hotels is interpreted by guests as a real public interest, CSR has a positive impact on brand evaluation as well as on guest satisfaction. However, the sustainability efforts of hotels are often perceived as pure self-interest and the charge of greenwashing is in the air. Thus, standards in CSR reporting are urgently required. In hospitality so far, neither guidelines for CSR reporting nor third party monitoring organizations exist so far. This paper presents a six-step framework encouraging bilateral sustainability communication in the hotel industry. The common method to proclaim sustainability via reports or websites is typically one-directional from the hotel to the guest (typically referred to as signalling approach). In the long run, this is not enough. Thus, the other direction (typically referred to as screening approach), should particularly be considered as well. Screening is achieved through the use of user generated content (UGC) and electronic word of mouth (eWOM) via evaluation platforms, which nowadays enjoy wide acceptance by guests.

In the presented framework, CSR reporting and CSR rating are outsourced to the guest and the corresponding crowd. This procedure includes several advantages for hotels. First, the efforts and costs of CSR reporting are reduced. Second, the general public is used as a third-party control mechanism for the CSR reporting (typically referred to as monitoring approach). Finally, following this monitoring aspect, the perceived credibility of the CSR reporting in turn will be higher.

Since the credibility and reputation of eWOM largely depend on the number of existing reviews, it is important to generate sustainability-oriented eWOM and to utilize guests for CSR reporting issues. Therefore, based on the well-known phases of service marketing, a five-step-approach is integrated in the framework.

Key Words: Corporate Social Responsibility, Sustainability Reporting, Crowdsourcing, Communication

INTRODUCTION

Corporate Social Responsibility (CSR) and Corporate Sustainability (CS) play a more and more crucial role in the development of hotel business. A study of the French hotel company Accor shows, that sustainability is a determining factor of the booking decision of hotel guests. Overall 68 per cent of the questioned people rather or fully agreed to the question, if they would accept the idea that the hotel might be a little less well localized if the hotel implements policies or services in favour of sustainable development. Regarding the question if they would accept the idea that the room rate might be a little higher if the hotel implements sustainability services, an overall share of 66 per cent rather or fully agreed (Accor 2011). A study of a German research department shows, that more than 40 per cent of the people questioned, wished their holidays to be ecological immaculate. And for more than 46 per cent of the questioned people, their holidays should be socially acceptable as well (Forschungsemeinschaft Urlaub und Reisen e.V. 2013). The results of these studies finally show, that guests and even society becoming more eco-minded and more aware of the social responsibility of hotels and that the CSR performance of hotels has a positive impact on the satisfaction of the guests.

Research shows, that if the CSR commitment of hotels is interpreted by guests as a real public interest, CSR has a positive impact on brand evaluation (Parguel, Benoît-Moreau, Larceneux, 2011) as well as on guest satisfaction. If guests attribute the hotel's CSR activities to self-serving motives, their satisfaction will decrease, particularly in the case of service failures. Conversely, when guests perceive a society-serving motive, their satisfaction will be enhanced by CSR initiatives as long as service quality is high. (Gao, Mattila 2014). In this regard, CSR can be seen as an excitement factor in hospitality business (Kano 1984).

However, the sustainability efforts of hotels are often perceived as pure self-interest and the charge of greenwashing is in the air. This problem is mainly caused by the well-known asymmetry of information between the guests and the hotel. Due to the immateriality of hospitality business, the guests are faced with an uncertainty and are depending on a trustworthy CSR communication in assessing the hotel's real CSR performance.

For this reason, standards in CSR reporting are urgently required (De Grosbois 2012, Holcom, Upchurch, Okumus 2007), but in hospitality, neither guidelines for CSR reporting nor third party monitoring organizations exist so far.

COMMUNICATION OF CORPORATE SOCIAL RESPONSIBILITY

Preventing the charge of greenwashing can be seen as the main challenge in the communication of CSR activities in the hotel business. Guests tend to insinuate that hotels are serving only self-interests and not public-serving motives with their CSR efforts. In this respect, typical signs of greenwashing can be seen, when companies are using labels that look like third party endorsement or when companies are just giving no proof or evidence for their so-called sustainable activities (Futerra Sustainability Communications 2008). As a consequence, it is highly important that CSR communication is transparent and credible to the guests (Schrader, Diehl 2010).

A possibility to ensure this credibility is the use of reporting guidelines like the G4 guidelines from the Global Reporting Initiative or consistent and widely accepted sustainability standards or labels. The Global Sustainable Tourism Council is nowadays working on criteria for a sustainable tourism, but a global sustainable standard for especially the hospitality business doesn't exist so far. Another way of CSR communication is the use of sustainable hotel search engines like bookdifferent.com. The non-governmental organization bookdifferent.com provides a search of hotels which are labelled with at least one of 15 different international eco-labels. Contrary, this huge amount of different international eco-labels impairs the credibility and transparency of the hotel's CSR communication significantly.

In summary, all these common methods to proclaim sustainability with reports or labels are typically one-directional from the hotel to the guest and are not suitable to reduce the uncertainty by the side of the guests.

USER GENERATED CONTENT IN THE HOSPITALITY BUSINESS

User generated content (UGC) or electronic word of mouth (eWOM) via evaluation platforms enjoys nowadays wide acceptance by guests in the hospitality business. The users of evaluation platforms like tripadvisor.com benefit from hotel evaluations from other users in different ways. It provides help for the users in their decision making and booking process in that way, that it helps to compare different hotels and enhances the perceived trustworthiness and credibility of the hotels promise of performance (Serra Cantallops, Salvi 2014). A study of the German Travel Industry Club shows that more than 85 per cent of the questioned people agree to the question, that online hotel evaluations are useful and are a reliable source of information (Travel Industry Club 2011). In a study of two German research institutions, 86 per cent of the questioned people answered to the question "How do you rate the credibility of evaluations of other guests on travel platforms?" with "credible" or "very credible" (ITB Berlin, FH Worms 2014).

This success of UGC and eWOM in hospitality business and in special of its high credibility is mainly founded in its bilateral communication approach. The guests are not only the receivers of information, but the creators of information as well, based on their own made experiences. This approach helps substantially to reduce the uncertainty by the side of the guests.

USER GENERATED CORPORATE SOCIAL RESPONSIBILITY COMMUNICATION

FRAMEWORK FOR A BILATERAL SUSTAINABILITY COMMUNICATION IN THE HOSPITALITY BUSINESS

This paper follows a six-step framework encouraging bilateral sustainability communication in the hotel industry. In this strategic framework CSR reporting and CSR rating are outsourced to the guest and the corresponding crowd. This is achieved through the use of UGC via evaluation platforms. The framework is presented in the following Figure 3.
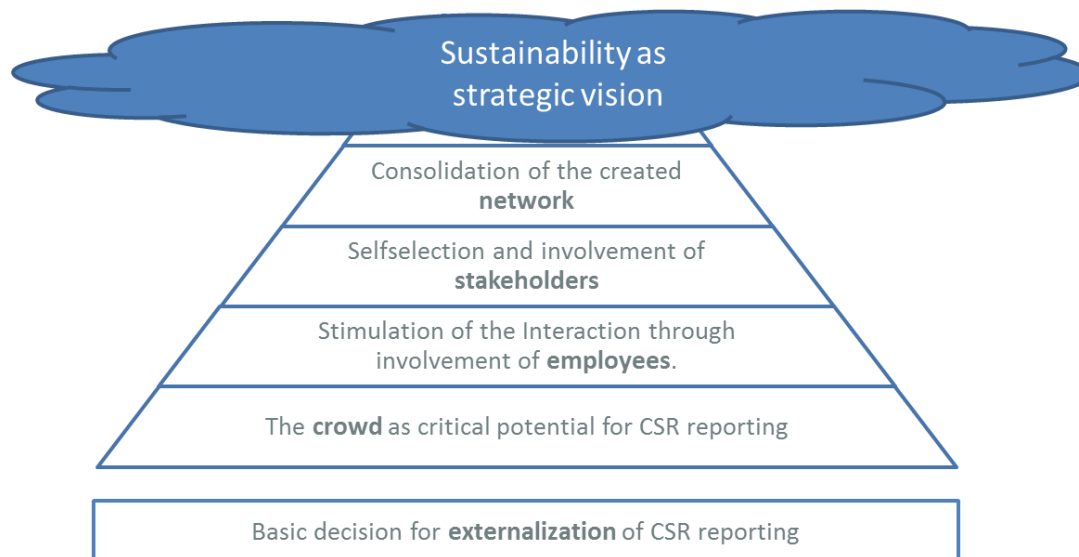
Figure 3: Framework for bilateral CSR communication
(own Figure according to Fässler, Baierl 2014)

The framework is based on the fundamental decision of the hotel to externalize its whole CSR communication and reporting. This means a completely change of the common perspective: Not the hotel is reporting from an internal perspective about its CSR efforts, but the stakeholders assess from an objective and external view the hotels CSR activities. The next step is to recognize the crowd as the critical potential for the CSR reporting due to the shown advantages of UGC and eWOM in the hospitality business. The third task in the framework is to stimulate an interaction between the crowd and the employees of the hotel. This is a requirement for the self-selection and involvement of the stakeholders in the next step in the framework. The stakeholders must be encouraged by the employees to take part in the voluntary assessment and reporting process with UGC. If it succeeds to consolidate this network of voluntary stakeholders in the next step of the framework, the goal of sustainability as the strategic vision of the hotel is achievable.

CROWDSOURCING AS AN EFFICIENT CSR COMMUNICATION APPROACH

CSR communication as a crowdsourcing approach consists of three main steps: In addition to the traditional signalling step, a screening and a monitoring step are added to the approach. As first step, the hotel provides information about its CSR efforts to address potential guests and to sensitize them for sustainability topics. The second step addresses the former guests with the goal to win them for their UGC about the CSR efforts. The third "monitoring" step addresses the public or the so called "crowd" as an independent third-party control mechanism. These three steps are shown in the following figure.
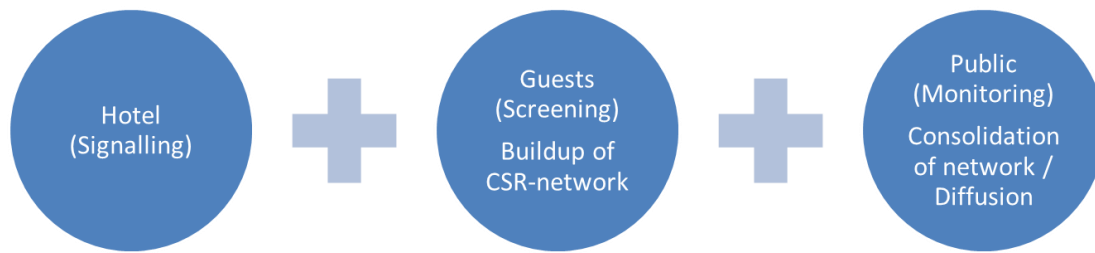
Figure 4: Steps of external CSR communication

Beside the already mentioned advantages of the higher perceived credibility of the CSR reporting and the use of the crowd as a control mechanism, this approach provides an advantage in reduced costs and reduced efforts of the CSR communication. In this way, CSR communication over crowdsourcing is not only effective, but also very efficient for the hotel.

Stimulation of sustainability-oriented user generated content

1. Step: Signalling

The first signalling step concerns the awareness of the guest for sustainability and CSR topics. Only when guests know about sustainability and CSR, they will evaluate the CSR performance of the hotel later. To address this lack of information, another five-step-approach, based on the well-known phases of service marketing, is integrated in the framework, shown in Figure 5.
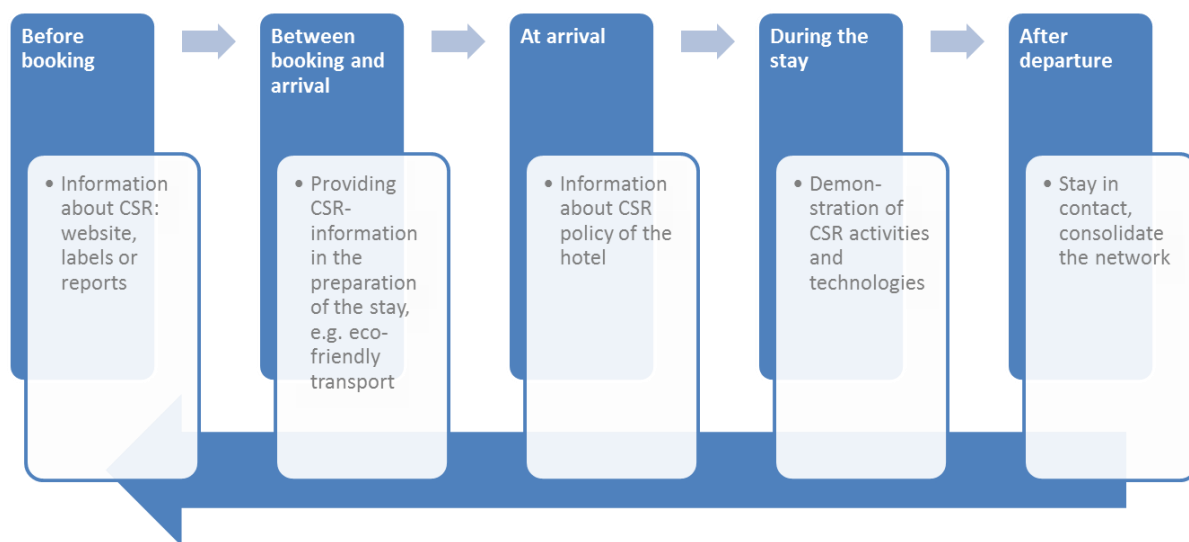
Figure 5: 5-Step-Approach for CSR-Signalling

In the first step, before the guests are booking the hotel, it is important to give information about the CSR activities of the hotel to them. During the guest's decision making process, they recognize the sustainability efforts of the hotel and get in touch with the topic of CSR and sustainability for the first time. This can be done by the hotels website, by traditional CSR reports or CSR labels.

In the second step, between booking and arrival, it is important to continue with the sensitizing of the guests for sustainability issues. For this purpose, for example information about eco-friendly transfers to the hotel could be used.

At the arrival, when the guests and the hotel staff meet the first time, the sustainable reputation of the hotel should be tightened. This can be achieved by giving information about the hotel's CSR policy.

The fourth step, during the stay, is the big chance to convince the guests about the CSR engagement of the hotel. The hotel should transparently show all the CSR efforts to the guests, for example by demonstrating sustainable technologies which are in use in the hotel.

The last step, after the departure of the guests, should be used to stay in contact with the guest's und to consolidate the guests' impressions about the CSR performance of the hotel. This should be done by using social media like facebook or twitter.

Overall, CSR related UGC should be stimulated by an involvement of the hotel employees. The staff as the "touch-point" to the guests should inform the guests about the CSR activities to sensitize them for sustainability issues. Therefore, the training and motivation of the hotel employees for sustainable development is vital.

2. Step: Screening

The second step within the overall model, the screening approach, deals with the question, how the guests can be utilized for CSR reporting issues. Important review generating factors are that UGC creates for the users a social identity and provides a sense of community belonging for them (Cantallops, Salvi 2014). In detail, the willingness to generate UGC depends mainly on the so called "homophily". Homophily can be described as the tendency of individuals to associate and bond with similar others. Due to this insight, for the purpose of CSR communication, it is necessary to create a network for the guests where they can communicate with each other. "The key strategy is to bring like-minded people together." (Delloite 2011 p. 2) This can be done by building up online platforms which focus precisely on the target guest segments. For example, the platform couchsurfing.org focuses on travellers who shun conventional tourist accommodation, whereas wayn.com focuses on younger travellers, and silvertraveladvisor.com targets mature travellers (Ayeh, Au, Law 2013). For the purpose of CSR communication, it is suggested to build up a suitable network or platform where the guest can exchange their CSR-related content with each other and where they get a sense of belonging to a sustainability-community.

3. Step: Monitoring

The third step headlined as monitoring addresses not only the former guests, but the whole public. The public is used as an independent third-party control mechanism, which reviews the CSR-related UGC of the guests in the term of consistency. This is a very important step to guarantee the high credibility of the CSR-related UGC (Mauri, Minazzi 2013). Research shows that the credibility of UGC is in particular high, when there is a big amount of reviews. When there are more reviews present, guests increase their behavioural intention. Further they perceive them to be more informative which reduces the uncertainty and the perceived risk (Viglia, Furlan, Ladrón-de-Guevara 2014). As a consequence, there should be a high diffusion and consolidation of the build-up network in the public to ensure the function as a third-party control mechanism.

A strategy to reach this necessary critical mass of reviews could be the intensive use of social media like facebook or twitter. These modern bi-directional communication channels provide the possibility to stay in contact with the guests and the whole CSR-interested public or stakeholders, and to reach a high diffusion very fast. To achieve a viral dissemination in the crowd, it is important to stay in contact in an interactive way. Research gives several recommendations for companies to force the interaction with their clients and guests (Griesam, Baierl 2013):

Be proactive: Take the initiative to begin an interactive exchange about your CSR efforts with the guests.

Be honest: Communicate only your realised and true CSR activities.

Be interesting: Report only about effective CSR efforts.

Be modest: Don't exaggerate with your CSR performance.

Be nonprofessional: Use an easy understandable language, don't use a professional jargon.

These recommendations can first be used to consolidate the build-up CSR-network, second to prevent the origin and initially shown difficulty of CSR communication – greenwashing – and in result, to achieve the superior goal of a sustainable hotel.

CONCLUSIONS

This paper presented a framework to prevent greenwashing in the CSR communication of hotels. Therefore, a change in the perspective of CSR communication is suggested. The actual CSR communication should be outsourced to the crowd. This brings several advantages to the hotel: The costs and efforts for CSR communication are lowed, the credibility of the CSR communication turns higher and the crowd is used as third-party control mechanism. The build-up of a CSR network is therefore a fundamental requirement to give the former guests the possibility to create UGC.

Further research should be conducted about the build-up of a suitable CSR network or platforms. Due to the effect of homophily, there should be a network to bring like-minded people together. This could be

done by creating new CSR platforms or by the expansion of existing online review platforms like tripadvisor.com. Therefore, it should be taken into account in which way the target guest segment could be most accurately addressed.

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RURAL TOURISM DEVELOPMENT AND CROSS-BORDER COOPERATION: NETWORKING LOCAL PRODUCTS FESTIVALS

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ABSTRACT

The aim of this paper is to explore the potential for integrated rural tourism development in border regions, drawing attention upon local products and traditions festivities. Local festivals associated with local products are considered to be significant cultural 'assets' that can substantially contribute to the preservation and promotion of traditional products and related production methods. Consequently, they consist part of the local cultural identity, an essential element of the originality and branding of rural areas, and may act as tourism attraction poles.

The paper argues that, the networking of local production activities and festive attractions can stimulate co-operation and partnerships among border rural areas, reinforcing local economies, as well as the non-economic 'intangible' aspects of regional dynamics. The project "LOFT- Local products Festivals and Tourism development in cross-border cooperation Greece-Bulgaria" is used as the case study to illustrate the proposed methodology. The situation analysis in the study area, illustrated by GIS-mapping reveals a large number of local fairs and festivals associated with local agricultural and traditional handicraft products, which attract visitors from the broader region. However, until now little research has been undertaken to study the tourism development perspectives of these events. Based upon the results of a questionnaire survey of local festivals' organizers, carried out within LOFT project, the paper highlights the implications of local stakeholders networking for cross-border tourism initiatives that can help bridging local production and tradition with economic activities at the local and regional level. It is suggested that, the development of cross-border synergies in order to support local products festivals and reinforce the involvement of local interest groups (e.g. local authorities, universities, producers, organizations, communities) from both sides of the borders, is essential for the successful implementation of joint rural tourism branding strategies.

Keywords: rural tourism, cross-border, festivals

INTRODUCTION

Tourism is widely acknowledged as one of the most important service industries in the global economy, an activity essential to the life of nations because of its direct effects on the economic, social, cultural and educational sectors of national societies and on their international relations (WTO, 1995; OECD, 2012). With substantial growth in tourism over the past several decades in the industrialized world, tourism promotion has become an important economic development strategy (Gibson 1993; Honey 2002; Dowling 2003; Hodur et al. 2005) for governments and local authorities that are increasingly recognizing its potential to diversify and stimulate economic growth and social contribution. (Martin et al., 2013) Tourism has the ability to create jobs, attract foreign currency and stimulate national, regional and local economic growth and as a result is frequently supposed to be a viable means of raising the economic activity of regions in both developed and developing countries (Irshad, 2010). The aspects of spatial distribution and development of tourism include, among others the concepts of rural tourism and cross-border tourism collaboration (Crozier, 2011).

Rural tourism, usually small scale and traditional in character, is identified as a means of promoting even development patterns in rural settings, opening new business initiatives and developing synergies with the existing agricultural production. Long and Lane (2000) underline the qualities inherent to rural settings, such as personal contact, authenticity, heritage, and individualism. As indicated by Briedenhann and Wickens (2004), the clustering of tourism activities and attractions in rural areas, stimulates cooperation and partnerships between communities in local and neighboring regions and serves as a vehicle for the stimulation of economic development through tourism. In recent years, festivals and special events became one of the fastest growing types of tourism attractions, increasingly recognized to be a cost effective way to boost local economies. A strong theory and evidence – base exists linking tourism development in rural areas and benefits from the organization of festivals delivering not only economic results, such as income growth, job generation, revenues, but also intangible ones such as place-image and community identity. As a result, worldwide national governments and local authorities are using festivals and special events as key elements within regional development strategies.

Local products festivals tourism, as a modern form of experiential tourism, is widely considered as a means of promoting cross-border tourism competitiveness and attaining regional developmental goals. Local products combined with stories and values of their respective areas play an important role in the development of a destination. The promotion of traditional products in local festivals may highly contribute to the local development of an area, by making a region popular for visitors and thus enhancing the income of the local community and facilitating the cash flow in the region. Small scale local festivals seen as best tourism marketing tools, may act as mechanisms to encourage regional economic development and tourism attraction (Kostopoulou et al., 2013). In recognition of these facts, many local, regional and national authorities worldwide make strategic decisions to embark on a collaborative approach to the development of local products tourism.

Culture, traditions, local products and food festivals can provide a better basis especially for cross-border collaboration in tourism development, with a shift towards personalized experiences characterized by authenticity. Border areas are said to be often marginalized areas within a country, due to their

geographical position on the periphery of the country. Nevertheless, in the tourism sector global experience indicates that political and administrative borders are not suitable means to delineate tourism destinations and tourism development, since tourists do not keep to strict borders and tend to visit regions, rather than an area within a defined political boundary. Cross-border collaboration in tourism thus provides a means of coping with changes in regional cross-border dynamics, as well as preparing the way for the sustainable exploitation of local resources and the maintenance of a durable tourism industry (Inskeep 1994; Hall 2000). Joint cross-border tourism development initiatives fall under the scope of cooperative or collaborative tourism planning (Reed, 1999 and Timothy 1998) offering a means of creating linkages and cooperation between tourism destinations in rural settings in order to increase economies of scale. Cooperative planning among key players in festival tourism development is widely acknowledged to be crucial to respond to global changes and regional cross-border dynamics, by means of building institutional or informal networks.

In this paper an attempt is made to explore the potential for integrated rural tourism development in border regions, drawing attention upon traditional local products festivals. The project "LOFT- Local products Festivals and Tourism development in cross-border cooperation Greece-Bulgaria" is used as the case study to illustrate the proposed methodology. A large number of local fairs and festivals associated with local agricultural and traditional handicraft products exist in the area, attracting visitors from the broader region. However, until now little research has been undertaken to study the tourism development perspectives of these events. Based upon the results of a questionnaire survey of local festivals' organizers, carried out within LOFT project, the paper highlights the implications for local stakeholders networking upon joint cross-border tourism initiatives that can help bridging local production and tradition with economic activities at the local and regional level.

REVIEW OF THE LITERATURE

Worldwide, festivals and special events are widely acknowledged to make an important contribution to the economic development of their local areas, as they provide opportunities for tourism promotion, commercial outcomes and increased inward investment in host regions (Getz 2007; Van de Wagen 2005), contribute to the extension of the tourism season (Huang et al. 2010; Boo and Busser 2006; Mehmetoglu and Ellingsen 2005 and help recreate the image of a place. Festivals range from mega, hallmark, and regional/local events: mega-events are designed to reach a global audience and thus make a positive impact upon the national economy of the host country, whereas community events are primarily designed to deliver benefits to local stakeholders. Small scale local events usually require minimal capital development and thus, have the potential of generating substantial returns on small financial investments (Gursoy et al. 2004). Moreover, ssuccessful events can change the perception of places and the sense of being in and belonging to a community. As a result, cities and regions widely apply festival branding, due to the growing importance of cultural industries within the contemporary economy, for visitors, as well as for the local population (Kavaratzis and Ashworth, 2010:5).

While an extensive literature on the various social, cultural and economic elements of festivals does now exist (see Getz 2008 for a comprehensive review), festival studies mainly focused upon mega-events and other hallmark events leaving regional and small community events rather underexplored (Bres and Davis 2001), even though rural festivals have gained increasing attention academically (Higham and Ritchie 2001; Gorman-Murray et al. 2008; Kostopoulou et al., 2013). Empirical studies of small, provincial festivals all point to economic benefits, usually concerned with short-term impacts and direct, tangible outcomes such as extra jobs, hotel rooms and business revenues. However, as identified by Getz (2008) researchers should be critical and position studies within broad social, economic and environmental discourses.

Festival tourism is viewed as travel focused on experiencing cultural environments, including landscapes, visual and performing arts, and special lifestyles, values, traditions and events. It involves not only tangible or visible heritage such as sites and settlement patterns, but also intangible heritage such as societal structures, traditions, values and religion. Contemporary tourists are more and more looking for true experiences, for getting to know other people and other cultures. Increasingly, the focus shifts to personalized tourist experience, search for authentic atmosphere, specific character of the visited place, with predominance of intangible elements of cultural supply. Over the past decade, tourism businesses have been trying to meet this new demand by emphasizing on local products that have the potential to become a unique selling proposition. Local fairs and festivals associated with local products can contribute substantially in the preservation and promotion of traditional products, related production methods, infrastructure and equipment. Consequently, they consist part of the local cultural identity, an essential element of the branding and originality of each region, and function as poles of tourist attraction. For local festivals to succeed and be beneficial for the branding of the host areas, attention must be given to the strategy of networking all stakeholders involved: local and central governments, local business community, sponsors, media, branding agencies and moreover, networking local festival organizers.

Networking refers to a wide range of co-operative behavior between otherwise competing organizations and between organizations linked through economic and social relationships. Network relationships are widely acknowledged as a significant part of the development of intangible capital through their role in providing social capital which underlies much economic development (OECD, 2012). Experience shows that networks are an effective means of informing, inspiring and empowering local people in rural communities and thus networking is widely adopted as a tool for supporting and promoting sustainable rural development. Rural development networks have as main goals to improve the well-being, capacity and resilience of rural communities by promoting interaction between, and action by, different rural actors and stakeholders. This is a very important function that is described by Ward et al. (2005) as the mobilization of intangible intellectual assets through learning, innovation and the building of human and social capital. The most important reasons for local people to access rural networks thus are to receive advice and information; share local learning and experiences; develop creative ways to address local problems and needs; identify sources of funding (ENRD, 2012).

Local fairs and festivals associated with local products are significant cultural 'assets' for rural cross-border areas often promoting a rich tourism potential on both sides of the borders usually based on beautiful and varied nature, cultural heritage, authentic crafts and customs, delicious food and warm hospitality. In this context, there is an opportunity for both enhancing cooperation between local products' festivals in

disadvantaged cross-border rural regions and further developing tourism through these events. However, local fairs and festivals associated with local traditional products in cross-border areas have been rather poorly publicized thus indicating a lack of coordination initiatives that can jointly promote, reinforce and further develop local festivals.

The Project "LOFT - LOcal products Festivals and Tourism development in cross-border cooperation Greece-Bulgaria" addresses this opportunity by proposing the networking of local festivals in the cross-border region. The Project LOFT is included in the Territorial Cross Border Cooperation Operational Programme Greece-Bulgaria 2007-2013, an important program under the European Territorial Cooperation Objective. Within the context of the European Union policy, border regions are now considered to constitute opportunities for development. In particular in the European periphery, such as the border zone between Greece and Bulgaria, problems of uneven development, differences in the institutional context and transitional processes make the planning of spatial cooperation processes in border regions a matter of special importance. At this end, the research analysis focuses at the challenges and obstacles towards encouraging the creation of local products' festivals networks so as to support the harmonious, balanced and sustainable development of the cross- border area under study.

METHODOLOGY

In order to explore the dynamics of networking local products festivals so as to support rural tourism development in cross-border areas, a research survey was carried out addressed to the organizers of local products festivals within the cross-border area Greece-Bulgaria. The survey has been realized within the project "LOFT- Local products Festivals and Tourism development in cross-border cooperation Greece-Bulgaria", funded under the European Territorial Cooperation Programme "Greece-Bulgaria 2007-2013".

At first, a list of organizations and institutions involved in holding festivals on local products in the eligible cross-border area Greece-Bulgaria of the European Territorial Cooperation Programme "Greece-Bulgaria 2007-2013" was combined. The list included Local Authorities, Cultural Associations, Business Associations etc. in the districts of Blagoevgrad (BG413), Smolyan (BG424), Kardjali (BG425) and Haskovo (BG422) in Bulgaria and in the Regional Units of Evros (GR111), Kavala (GR115) (as adjacent area), Xanthi (GR112), Rodopi (GR113), Drama (GR114), Thessaloniki (GR122), Serres (GR126) in Greece.

Thereafter a recording of the local festivals in the eligible cross-border area Greece-Bulgaria was elaborated. The recording included 20 fields of data for each festival namely, identity number, festival's name, range, theme, website, social media, dates, duration, frequency, location (regional unit, municipality), site, number of visitors and participants and the contact details of the organizers (name, address, phone number, fax, e-mail, communication manager, website). Mapping local products festivals took place in the context of creating a WebGIS tool that was formed for LOFT project, an interactive tool that allows easy navigation into local events and products providing an abundance of information for visitors (products, festivals, location, transportation facilities etc.).

A total of 103 festivals was recorded within the Greek eligible cross-border area namely, in the Regional Units of Thessaloniki (36 festivals), Serres (13 festivals), Drama (10 festivals), Kavala (13 festivals), Thasos (6 festivals), Xanthi (9 festivals), Rodopi (5 festivals) and Evros (11 festivals). The spatial structure of the registered festivals reveals a rather uneven spatial distribution within the Greek study area, with a significant concentration in the Regional Unit of Thessaloniki (34%), where Thessaloniki the major urban center of Northern Greece is located, followed by Serres, Kavala, Drama, Evros and Xanthi (13%-9%) and a smaller one in Thasos and Rodopi (7% and 5% respectively). Within the Bulgarian eligible cross-border area a total of 107 festivals was recorded in the Districts of Blagoevgrad (44 festivals), Smolyan (20 festivals), Haskovo (30 festivals) and Kardzhali (12 festivals). The total of 210 local products festivals recorded in the cross-border area is presented in Map 1.
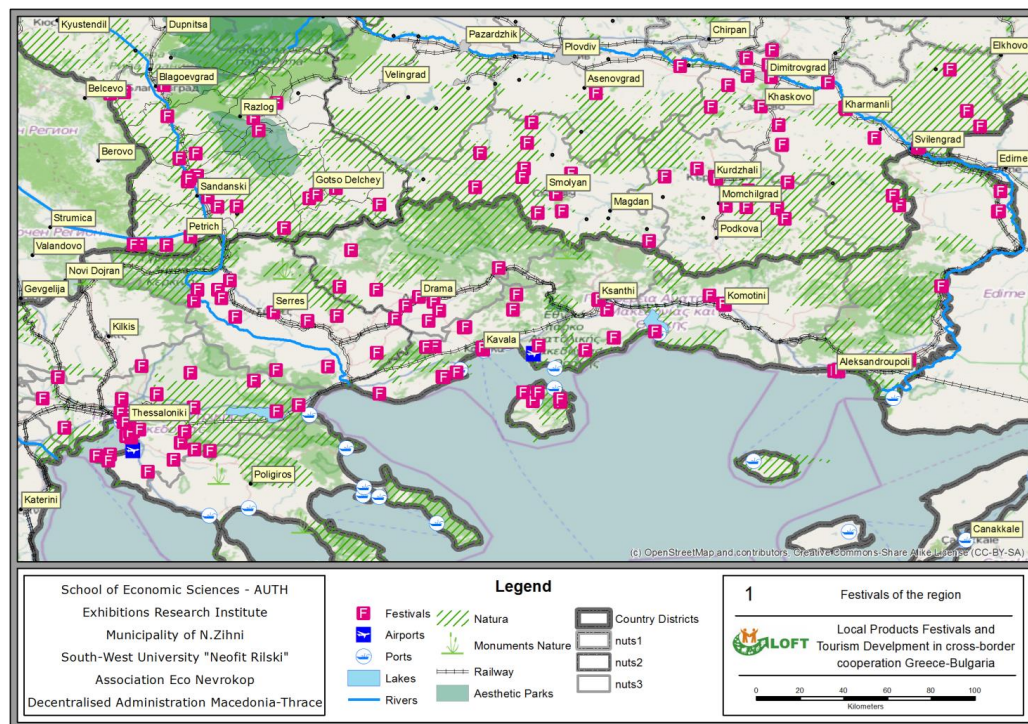
Map 1. Local products festivals in the cross-border region Greece-Bulgaria

An in-depth research followed recording local festivals by topic/product. Their identification was based on the delineation of the main categories of intangible cultural heritage, according to the definition of UNESCO Convention for the Safeguarding of Intangible Cultural Heritage and the categorization of WTO (2012): handicrafts and visual arts, gastronomy and culinary practices, social practices, rituals and festive events, music and the performing arts, oral traditions and expressions, including language as a vehicle of intangible cultural heritage, knowledge and practices concerning nature and the universe. On the above basis, the main cultural assets related to local/traditional products were described and identified leading to the elaboration of inventories for each administrative unit of the cross-border area Greece-Bulgaria. The topics of the festivals recorded cover a wide range of subjects that were identified in both sides of the borders.

In the Greek study area, the festivals organized were grouped into four subject categories (Figure 1): Festivals dedicated to local agricultural products - Food/culinary festivals; Festivals of traditional crafts; Festivals based on cultural / historical heritage (tangible and intangible) - Folklore festivals - Festivals on traditional rites / rituals; Festivals of gifts of nature/natural resources. As shown in Figure 1, in the Greek side the prevalence of agricultural products and food festivals is significant.

	THESSAL ONIKIS	SERRON	DRAMAS	KAVALAS	THASOU	XANTHIS	RODOPIS	EVROU
■ Agricultural Products / Food/culinary festivals	72%	89%	100%	69%	67%	50%	100%	64%
■ Festivals of traditional crafts	11%	0%	0%	0%	0%	0%	0%	9%
□ Cultural / historical heritage Folklore	11%	11%	0%	31%	33%	50%	0%	9%
□ Gifts of nature/natural resources	6%	0%	0%	0%	0%	0%	0%	18%
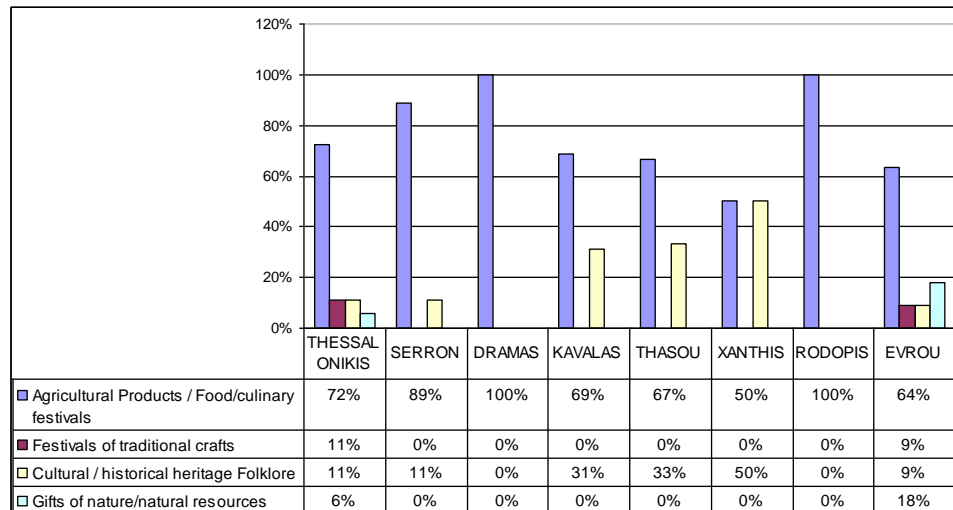
Figure 1. Local products festivals in the Greek cross-border area, by theme

In the Bulgarian study area, seven types of festivals on local products have been identified (Figure 2): Folklore festivals; Food/culinary festivals; Festivals dedicated to local agricultural products; Festivals of traditional crafts; Festivals on traditional rites / rituals; Festivals on gifts of nature/natural resources; Festivals based on cultural / historical heritage (tangible and intangible). As shown in Figure 2, in the Bulgarian side the prevalence of folklore festivals is significant. Moreover, folk music and/or dances are a key component of the events organized in the four Bulgarian administrative districts under review, even for festivals where they do not consist of the central theme.

	Blagoevgrad	Smolyan	Kardzhali	Haskovo
■ folklore	33%	53%	18%	53%
■ traditional cuisine	19%	16%	0%	13%
■ historical heritage	2%	0%	9%	0%
■ agriculture	9%	0%	0%	10%
■ traditional ritual	33%	21%	64%	10%
■ crafts	2%	5%	9%	3%
■ natural resources	2%	5%	0%	10%
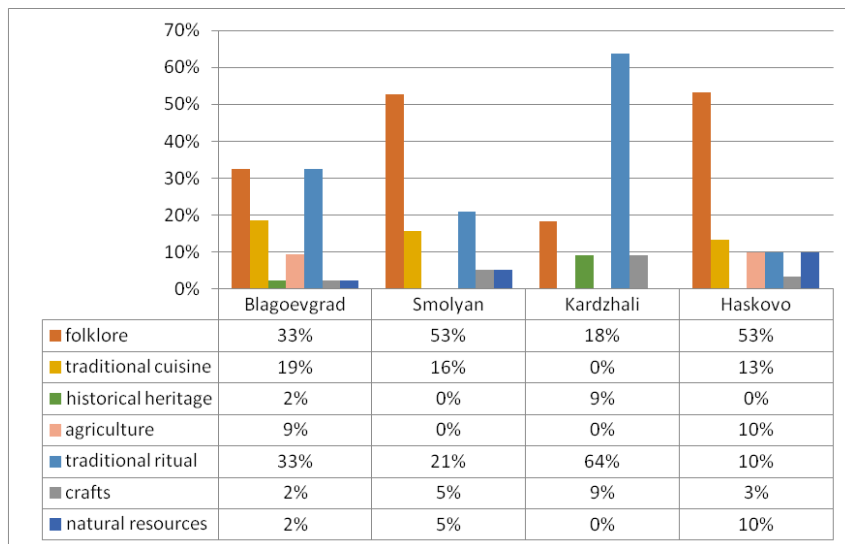
Figure 2. Local products festivals in the Bulgarian cross-border area, by theme

A more detailed recording of the local products festivals per subject and/or specific agricultural product has shown that the most widespread local festivals organized in the Greek cross-border area, are festivals on agricultural products such as cherry, wine, potato, honey, while on the Bulgarian side of the cross-border area, the most widespread festivals are the folklore ones.

The research survey realized within the LOFT project aimed to analyze the opinion of the organizers of local products and traditions festivals in relation to the key issues regarding the organizational characteristics and management obstacles of local festivals, and the role of festivals' networking in tourism growth in the cross-border area.

The survey was conducted online in Bulgaria and by e-mail and/or personal interviews in Greece, by use of a questionnaire, common for both sides of the cross-border area, so as for the results to be comparable. The questionnaire included 28 open and closed type questions in order to gather both qualitative and quantitative information from the organizers. The questions were organized in two parts: the first part included questions about the demographic data of respondents, (age, gender, education, position in the festival organization) and the type of festival organizations, and the second part included questions about the organizational issues and management obstacles of local festivals. The questionnaires were sent to 53 festival organizers holding a webmail address in Bulgaria and 103 in Greece, during the period January – March 2014. Twenty-one completed and valid questionnaires were received from the Bulgarian festival organizers and thirty two from the Greek festival organizers, forming a response rate of 39.6% and 31.1% respectively.

RESEARCH RESULTS ANALYSIS

Age of respondents

Regarding the age of respondents over the Greek cross-border area, it can be inferred that Greek festival organizations employ rather young staff, since 63.6% are 36-45 years old, while only 18.2% are 46-55 years old and 18.2% are 55-65 years old. In the Bulgarian cross-border area, results analysis shows that the majority of the staff of festival organizations are middle-aged, since the predominant share of respondents (55.5%) were 45-60 years old. The age structure of the respondents reveals that the workforce engaged in Greek festival organizations is expected to be more creative in introducing new tourism development and marketing tools than the respective festival staff in Bulgaria. This is an element that the Bulgarian organizations are challenged to take into consideration in order to support the future development of their festivals, since the participation of the new generation is essential in their organization.

Education of respondents

The educational level of the staff in both countries is relatively high. More specifically, in the Greek organizations 91% of the respondents have a higher education degree (45.5% are University graduates, 27.3% are Technological Educational Institutes graduates, 18.2% are Master graduates), whereas only 9.1% are High School graduates. Similarly, on the Bulgarian side 82.0% of the respondents have a higher education degree. The high educational level of the staff of festival organizers contributes to the better and more effective organization of local festivals.

Position of respondents in the organization

Regarding the position of respondents in the festival organization on the Greek cross-border area, 72.7% are executive employees, 18.2% are administration staff and 9.2% are volunteers. On the Bulgarian cross-border area, participants in the survey occupy expert positions by 64.0%, secretary positions by 27.0%, while 9.0% are members of the management board. From the analysis of the structure of the Greek and Bulgarian samples, we may conclude that the vast majority of respondents are highly ranked in the organizational bodies of festivals, and therefore have a good knowledge and well established view of the obstacles and challenges that organizers deal with during the organization of a local festival.

Type of festivals organizations

The predominant part of the festivals on local products in the Greek cross-border area is organized by cultural organizations (54.5%) and/or local authorities (45.5%) that could greatly benefit from partnerships with NGOs, professional associations and other organizations connected with cultural heritage and local development. In the Bulgarian side there are four types of organizations, local authorities, cultural institutions (community centers), NGO's and governmental institutions. This shows that the type of organizations is more diversified in Bulgaria compared to Greece, an element that gives an increased variety of incentives for organizing festivals in Bulgaria.

Reasons for organizing local products festivals

One of the main questions of the research survey concerns the reasons for organizing festivals on local products. The importance of predefined variables was assessed by using a 4 point Likert scale ranging from 1 (not important) to 4 (very important).

In Greece, festivals are organized mainly to support local products and traditions (81.8% very significant and 18.2% significant) and inform the public on a specific product at a similar rate; tourism increase is also considered of major importance (72.7% very significant and 27.3% significant), while entertainment and local economy are both evaluated very significant at 63.6%. Other considerable reasons for organizing local festivals include the creation of a brand name in the festival sphere (54.5% very significant and 45.5% significant), the reinforcement of the good reputation and prestige of the area (45.5% very significant and 54.5% significant) and the contacts with sponsors, advertisers and other people involved (27.3% very significant and 36.4% significant). Historical reasons are also considered important in organizing local festivals (9.1% very significant and 90.9% significant), while religious reasons are not considered of major importance (36.4% and 18.2% respectively).

In the Bulgarian cross-border area respondents consider that raising the prestige of the host area and the promotion of local products and traditions are the main reasons for organizing local festivals, together with creating a brand name of the festival and reinforcing tourism growth. The entertainment aspect and informing the public are also indicated as of significant importance. Bulgarian respondents evaluate that reasons related to history and religion are not of major importance in organizing local festivals. Making contacts with advertisers and sponsors, as well as public opinion leaders, and economic factors are also considered to be significant reasons for organizing local festivals.

The results show the important role that tourism plays in the organization of local products festivals and events on both sides of the border. While a few decades ago cultural institutions organizing local festivals focused their attention on the preservation and promotion of local culture, today an important part of their motives is related to the strengthening of tourism and the increase of tourist inflows at the destination.

Evaluation of the festival's role and benefits

Regarding the evaluation of the festivals' role and benefits, a differentiation appears between the two sides of the borders. On the Greek side, respondents considered as very significant and significant the role of local festivals for economic and touristic issues and also for local communities and businesses. More specifically, the role of local authorities is recognized as very significant by the majority of the respondents in terms of promotion of the local industry (36.4%), benefits for the local community (45.5%), creation of opportunities for recreation and leisure, (72.7%), opportunities for socializing (72.7%) and experience and cultural exchange (81.8%). Moreover, the majority of respondents evaluate as significant the role of local festivals for the attraction of tourists (54.5%) and the increase of municipal revenues (45.5%).

In the Bulgarian research area, results analysis revealed that respondents assessed at a relatively low rate the results achieved in terms of attracting tourists and promoting local business. The lowest benefit is

indicated in the increase of municipal revenues, which is rather expected, since this is not considered to be one of the important motivations for holding a local products festival. Benefits associated with local businesses and local communities are higher than average, but still do not reach a very good score. The opportunities for entertainment and exchange of experience and culture are the top ranking benefits according to organizers. The results of the survey on both sides of the cross-border area Greece - Bulgaria underline the considerable cultural aspect of festivals, whereas the economic aspect is rather underestimated.

Evaluation of event characteristics

A number of specific characteristics of local products festivals were also assessed by the organizers in the same way on both sides of the borders. A five-point Likert scale was used, ranging from Poor (1) to Excellent (5). From the research results analysis it can be concluded that in both sides of the cross border area the majority of the event characteristics are of the same importance, except for the technical equipment and advertisement which are both very significant for the Greek organizers whereas they are of minor importance for the Bulgarian organizers.

Evaluation of the difficulties in the organization of festivals

Regarding the difficulties that organizers deal with during the organization of local festivals, problems seem to be common in Greece and Bulgaria. Assessment was based on a five Likert scale ranging from 1 (not important) to 5 (very important). In Greece the organizers indicate that the main difficulties arising during the organization of a local festival mainly involve insufficient funding (evaluated as very significant 54.5% and significant 45.5%), lack of active participation from the local community (evaluated as very significant 27.3% and significant 36.4%), while lack of tourism infrastructure is evaluated as significant at a lower rate (27.3%).

As for the Bulgarian organizers when asked about the main difficulties confronted, they indicated insufficient funding as of major importance, followed by the insufficient popularity of the event, lack of interest by local population and local businesses and poor tourism infrastructure, while respondents also underlined insufficient volunteer activity. Regardless of the difficulty indicated in finding the necessary financial resources, the majority of the organizers do not consider as necessary the introduction of participation fees.

The results of the survey on both sides of the cross-border area clearly show that the organizers are encountered by more or less the same problems. The deficient popularity of the events and insufficient funding, followed by the lack of interest from the local community and inadequate tourism infrastructure, are common obstacles that both Greek and Bulgarian organizers have to overcome in order to improve local festivals and create new successful ones.

Preferences on the duration of festivals/fairs

The duration that local festivals should have, according to the answers of the respondents in the research in both Greek and Bulgarian area, is 2 to 3 days. More specifically, 72.7% of Greek and 50.0% of Bulgarian respondents believe that the ideal duration should be 2 days, whereas 27.3% of Greek and 30% of Bulgarian respondents believe that it should be 3 days. Greek and Bulgarian organizers therefore share the same opinion about the ideal duration of local festivals.

Evaluation of respondents about the type of visitors

Research results analysis indicates slight differences in the origin of visitors to local festivals, in the Greek and Bulgarian areas. Greek festivals have a local and regional range of visitors, while Bulgarian festivals have a rather broader national and regional range of visitors.

Festivals' funding sources

The funding sources of local festivals appear to be different in the Greek and Bulgarian sides. In Greece, the funding of local festivals, already acknowledged as a significant factor of the organizational difficulties, is based mainly upon festival incomes (50%) followed by funding from municipalities (25%) and at a same rate (25%) by funding from donations and sponsorships.

In Bulgaria, the largest share of funding comes from the municipal budget, sponsorships and donations, as indicated by 82% and 73% of respondents respectively. Almost half of the respondents indicated festival revenues and less than a third funding from European projects. Overall, the results indicate untapped potential for funding from national and European programs.

Festivals' advertising modes

The advertising types used by local festivals are actually a mixture of traditional and modern types, similar for both Greek and Bulgarian festivals. In Greece, 36.4% of respondents prefer the internet, 18.2% flyers, 18.2% mailing lists, 18.2% regional media and 9.1% personal contacts. In Bulgaria the most popular advertising type is regional media (indicated by all respondents). The Internet ranks second (91%), national media are indicated by 64 % of respondents, almost half of respondents rely on personal contacts, while a relatively small percentage use mailing lists, brochures and printed media. Overall, results confirm that considerable opportunities for joint actions in advertising emerge in both countries, in order to save money and support the increase of cross-border tourism.

Participation mode

Regarding the type of festivals' participants it appears that a large percentage are regular visitors in both Greece and Bulgaria. In Greece 72.7% of respondents reported that some of the participants were regular, whereas 27.3% reported that all participants were regular. In Bulgaria, a large percentage of organized events (36%) have no regular participants, 46% have some regulars and 18% state that almost all their participants are regular. The large percentage of festivals organizers who fail to attract regular participation in the events could be explained by the fact that several festivals are taking place only for a

few years; however, it could also be the result of inefficient management. The percentage of events that fail to attract regular participants also indicates lack of sustainability and further development of the event.

Degree of authenticity

When traditions are used for tourism purposes, it is essential that they be interpreted and presented authentically so as to avoid a negative impact on the culture of the local community. In the Greek side it appears that festivals present local products and traditions in an authentic way. More specifically, 27.3% of respondents believe that local festivals represent authentically local traditions and products and 72.7% also consider that they probably do. On the Bulgarian side, even though almost all respondents mentioned that they have good knowledge of traditions and typical local products, the survey results reveal a disturbing trend of neglecting authentic representation, where 18% of respondents believe that local events do not represent local tradition in an authentic way and 18% believe that this representation is only at some extent.

Finally, the participants in the research survey in the Greek cross-border area mentioned local traditional products that in their view represent better the area: wine, cheese, pastries, traditional pies, buffalo products, buns, potatoes, beans, kavourmas, sausages, garlic, asparagus, and traditional sweets like halva, malibi and retseli, sauerkraut, toursi, grapes, cherries. Similarly, participants in the Bulgarian cross-border area mentioned: herbs, chestnut, sesame, peanuts, walnuts, beans, cherries, sericulture, weaving, sheep-breeding, wood industry and wood products, viticulture and enology, potatoes, tobacco, bagpipe-making and bagpipe playing. Many products are identical due to similar geophysical and climatic characteristics, an element that may support festivals' partnerships and networking (e.g. specific products' festivals routes).

CONCLUSIONS

The overall conclusions from the research survey in Greek and Bulgarian local products festival organizers indicate that festivals on both sides of the border have many characteristics in common, such as organization process and structure, goals and incentives etc. Another important factor that both sides have in common is the high educational level of the organizers that ensures, at some extent, the progress of festivals. Both sides also share the main incentives for organizing local products festivals, gradually changing from the initial pursuit for promotion and representation of local traditions and culture into touristic motives with visible economic results for the host regions. However, significant differences also emerged, hence in matters of less significance. For example, the age of the organizing members is different in Greece than in Bulgaria, as well as the type of the organizations and institutions involved in local festivals. Nevertheless, these differences could be overcome through joint programs for the organization of local products festivals.

The main difficulties in organizing the events in both sides are related to insufficient funds and insufficient or ineffective advertising. In this regard, more attention should be paid to opportunities provided by the European operational programs. More effort should also be made to raise the participation rate of local festivals and enhance the visibility of the festivals by integrating festival planning, organization and promotion into local and regional tourism strategies and promotion plans. To this end, broadening some of the local festivals scope could also prove helpful since the predominant part of festivals are one-day events of local or regional importance. It is advisable to anchor other festivals of a region to the ones with national or international scope. This connection could take i.e. the form of advertising other festivals or creating some parallel demonstrations/events regarding their themes, during the international/national ones. Survey results also reveal the need to focus towards supporting festival organizers to become more business and entrepreneurship oriented.

Local products usually entail a dimension of local celebration and consist of valuable vehicles for reinforcing the branding of local production and tradition, as well as poles for tourism development that could be further promoted under existing or new local fairs and festivals. The main concerns of a growth strategy for tourism based on local products should be oriented towards issues of authenticity, quality and consistency, sustainability, marketing, research and knowledge development, with a prominent role to networking. By identifying the prominence of networking the development of organized packages around main products and local resources of the cross-border area can be proposed. To this end the clustering of local festivals could be introduced in three ways: geographically per administrative unit, seasonally per month, and thematically per product category.

As the main tools for networking and integrating local products to tourism growth, local food cooperatives and product theme routes are recognized. Numerous advantages can flow from bringing food producers, local products festival organizers and tourism providers together to develop local produce based tourism promotions. Whether the end result will be a formal partnership or network with a range of activities, working together enables more efficient and effective use of budgets for marketing and promotion, allows different but related businesses to support each other by sharing ideas and developing complementary offers, and can extend market reach by encouraging visitors to seek out products from the destination when they return home (Guthrie et al., 2013). Furthermore, by working together, local products festivals and tourism businesses can retain visitors spend in their area and minimize leakage by using locally sourced products. Therefore, the elaboration of a common planning scheme towards strengthening the "image" of the cross-border region Greece-Bulgaria as a "local products and traditions tourism destination" can be based upon a networking strategy among festival organizers.

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ABSTRACT

Since the Revolution of the 25th of January 2011, Tourism in Egypt has been facing major problems. Among these is the large number of unemployed tour guides due to trip cancellations. An increasing need emerged to develop strategies in order to improve the current situation of tour guides.

The main objectives of this research are to implement entrepreneurial approaches in the field of tourist-guiding. The study deals with starting a personal business as a tour-guide, through promoting tours and all related services. Such an enterprise has the advantage of being managed from home through the internet, using online applications and social media websites, not to mention the possibility to produce a large income.

The research will conduct a qualitative approach by interviewing a number of Egyptian tour-guides.

One of the main conclusions of the study is that Entrepreneurship would help tour-guides know how to market the services of their business. This requires building contacts with companies and individuals on all levels. The success of the business is accomplished by providing clients with the best offers they can get and to possess the know-how of promoting the required services.

Recommendations of the study include that tour-guide should look for entrepreneurial ideas doing all the effort needed to make their business succeed. It is also highly recommended to create coordination with tourism suppliers and to build alliances with all relevant tourism promoters.

Key-words: Tour-guides, guided tours, entrepreneurship.

INTRODUCTION

Tourism is becoming increasingly competitive. For many countries, tourism is an important sector of their national economy, an industry where tourists consume a wide range of products and services (Nassar, 2012). This adds up to the domestic demand with an impact on the economy and job creation. These activities contribute to national wealth and to the income of individuals and their households. On the

other hand, international tourism provides foreign currencies to destinations and impacts positively on the balance of payments. Hence, it is considered to be more labour intensive than any other productive sectors (UNWTO-ILO, 2013). It is also considered as the life blood for developing countries, where it provides an effective transfer of income from developed to developing economies. Indeed, tourism is an important source of foreign exchange and foreign investment in many developing countries (UNEP, 2013).

The creation of professionally trained guides has thus become an essence. An increasing number of people are interested in travel and tourism. This has consequently created demand for intermediaries to link up travellers with what they want to consume as they travel and to make interesting and informative commentaries (Chilembwe & Mweiwa, 2014).

Tour guides are one of the key front-line players in the tourism industry. Through their knowledge and interpretation of a destination's culture, communication and service skills, they have the ability to transform the tourists' visit into an experience and knowledge level. Service professionalism has become an important issue as destinations compete for tourists in a very competitive environment (Chang et al. (2012). However, according to Mak et al. (2011), "*the tour guiding profession has been the "Cinderella" of the tourism industry: attractive, useful, but often neglected*".

Egypt has been going through very difficult times for almost four years now. Tourism has been badly affected by the Revolution of January 25th, 2011. Tourist guides of Egypt have never lost hope that tourism will recover and visitors will flood the great sites of Egypt again (WFTGA, 2014). Consequently, needs have arisen for entrepreneurial behaviour. Tour guides have to implement innovative methods in order to move forward with their career.

OBJECTIVES:

The main objective of the study is to examine tour guides' roles in promoting tourism in Egypt as a tourism destination. Therefore, the study identifies and evaluates roles of tour guides in creating a good destination image, establishes the need for tour guides' training to aid in tourism promotion and development, investigates challenges faced by tour guides and identifies possible solutions to challenges tour guides face in Egypt. One of the main objectives is to assess tour guides' attitudes towards using Information and Communication Technology in their business and to evaluate their ability to create an atmosphere of creativity and innovation. This study seeks to examine the critical issues impacting the service quality and professionalism of the tour guiding professions serving the Egyptian tourism market.

METHODOLOGY:

The goal of this study is to provide a clear understanding rather than to generalize findings. Therefore, the research relied on the qualitative approach and consisted of two phases;

-Phase 1: a pilot study with experts in the field was conducted to gain base for interview questions. This step was important to ensure validity and reliability of questions.

-Phase 2: a series of in-depth interviews was conducted with representatives of tour guide associations, and selected tour guides in Egypt in order to explore the critical issues related to tour guiding. Data collected was transcribed and analyzed using content analysis.

Based on some new findings, a set of recommendations was formulated. A key recommendation included the implementation of a series of procedures that will help improve the Egyptian tour guides' situation and working conditions. It is recognized that the experiences faced by the Egyptian tour guides are unlikely to be unique and there may be some issues and problems raised that are common to the guiding profession in most other countries.

4 LITERARTURE REVIEW:

Very few studies have dealt with the professional status and issues faced by tour guides. A number of researches have been devoted to define tour guides and to explain the different roles performed by them and the qualifications required for the profession (Pond, 1993; Howard et al., 2001; Prakash & Chowdhary 2010; Mak et al., 2011; Chilembwe & Mweiwa, 2014; Weiler & Walker, 2014;). Cohen (1985) was a pioneer of making tourist guiding a matter of scientific attention. He defined a tour guide as a pathfinder, a leader, an animator and a mentor who not only produces attractions in the marginal regions of the ecological tourist system but also reproduces the attractions in the central regions of the system.

Pond (1993) explains that skilful tour guides are of the most valuable assets a tourism company can have, since they are in many ways in the front line of a business or company; they are the ones who interact the most with visitors.

Tour guides are those who possess enthusiasm, knowledge, personality qualities and high standards of conduct and ethics that enable them to lead groups of people or individuals to the important sites while providing interpretation and commentary (Chilembwe & Mweiwa, 2014). They are the information-givers and caretakers (Mak et al., 2011). Through their knowledge and interpretation of a destination's culture, communication and service skills, they have the ability to transform the tourists' visit into an experience and knowledge level (Chang et al., 2012).

On the other hand, fewer studies dealt with Egyptian tour guides in particular. El-Sharkawy (2007) conducted an in-depth research about the requirements Egyptian tour guides must fulfil, shedding light on the historical background of the profession in Egypt. Furthermore, although some studies discussed tourism in Egypt after the Revolution of January 25th, 2011 (Nassar, 2012;; Abdou & Zaazou, 2013; Khodair, 2013; World Bank. 2013), no research tackled the issues of Egyptian tour guides and the problems and challenges they are facing, particularly after the revolution. The present study tries to involve entrepreneurship with tour guiding as a means of overcoming the actual situation. This research would

thus represent one of the first attempts to deal with tour guiding with respect to entrepreneurship and innovation.

5 TOURISM AND TOUR GUIDES IN EGYPT:

Tourism is a dynamic economic sector that generates substantial foreign exchange earnings. Due to the forward and backward linkages of the sector with other activities, it tends to generate employment and income opportunities (UNEP, 2013; WTO-ILO, 2013).

In Egypt, around 70 sectors profit from the tourism industry which creates jobs across the board. It is considered a main provider of jobs where tourism employment (direct and indirect) is about 12.6% of the total employed population, with 1.2 million workers directly engaged in hotels and another 1.5 million in travel and other related tourism services, according to reports of January to December 2009 (Handoussa et al., 2010).

Since Egypt is a major tourism destination, accordingly it provides great job opportunities on all levels for those who work in the field. Generally speaking, the rise in need for travel in the tourism industry usually increases the demand for tour guides to provide tourists with all the necessary information and relevant services (Chilembwe & Mweiwa, 2014).

In the growing movement toward organizing and professionally accrediting positions within the travel industry in Egypt, the first official tour guides' association was founded in Egypt in 1965. In 1983 the Egyptian Tourist Guides Syndicate (EGTGS) was created. It established a sophisticated database about tour guides and their working conditions (El-Sharkawy, 2007).

Egypt has the largest tourist guides association in africa; the egtgs has today more than 17,000 members, according to the syndicate's database. it is also a founding member of the arab tourist guides federation (WFTGA, 2015).

Through the egtgs egypt is a member of the world federation of tourist guide association (wftga). the egtgs was established by law, part of the egyptian constitution; law N. 121 of 1983 organizes the work of tour guides in Egypt. It implies that egyptian tour guides must be licensed by the Ministry of Tourism and be a member of the Egyptian Guides Syndicate (Ministry of Tourism, 1983; El-Sharkawy, 2007).

Like tour guides all around the world, Egyptian tour guides have to fulfil qualifications and to achieve responsibilities and roles. Tour guides are representatives of a region, they are crossing points between tourists and destinations; they are interpreters making sense of the destination's culture and heritage (Mak et al., 2011).

They also contribute to the promotion of a tourist destination since they can sell the next tour (Chilembwe & Mweiwa, 2014), not to mention their leading, interpretative, inspiring and entertaining roles in a given geographical or environmental setting in which they apply specialized knowledge of various languages

(Howard et al., 2001; McGrath, 2003; El-Sharkawy, 2007; Prakash & Chowdhary, 2010; Chilembwe & Mweiwa, 2014; Moteka, 2014,). They are also the "ambassadors" entrusted with the public relations missions of the destination (Holloway, 1981; Pond, 1993).

6 PROBLEMS AND CHALLENGES:

For many years, tour guides in Egypt have been suffering from major problems. Some of these are in fact common issues for tour guides in all countries such as the lack of recognition by employer, low social status, low and unstable income, lack of commitment, and high turnover rate and inadequate employment protection (Ponds, 1993; Mak et al., 2011).

Furthermore, an important defect of the business is seasonality. The seasonal nature of tour guiding offers guides little security and protection over their income, benefits, and employment status, consequently leading to their lack of commitment. This has undoubtedly resulted in a high turnover rate in the guiding profession, and the lack of skilled and trained tour guides (Ponds, 1993; Mak et al., 2011; Chilembwe & Mweiwa, 2014). Interviewed tour guides indicated that, during high seasons of work, they had recourse to some practices to increase their income such as selling goods or bringing tourists to various shops, encouraging tourists to make purchases that will generate sufficient commissions for the tour guides.

Altogether, the above issues have gradually led to a high turnover rate in the guiding profession. Tour guides started to look for joining other businesses if they were offered more favourable pay and working conditions. This has created difficulties in retaining skilled and experienced tour guides and thus, a decline in service quality and professionalism of the guiding profession.

On the other hand, tourism is a fragile industry which is highly vulnerable to internal and external shocks as diverse as economic downturns, natural disasters, epidemic disease, and international conflicts (Sönmez, et al., 1999; Nassar, 2012).

SINCE THE REVOLUTION OF JANUARY 25, 2011 HAS ERUPTED, Egypt has been undergoing a major political and social transition. At the same time, substantial economic disruptions have adversely affected all Egypt's sectors including tourism (World Bank, 2013). While some believe that the revolution has ended, the tourism industry, similarly for other sectors of the economy, is still facing major troubles (Nassar, 2012).

Egypt in 2010 had 14.7 million tourists, but after January the 25th, tourism revenues dropped by 60 percent. The country has lost around two billion U.S. dollars in tourism revenues due to this political unrest which resulted in cancellations of trips (Abdou & Zaazou, 2013).

Given all the previously mentioned conditions, whether the frequent challenges of the business or the negative status after the revolution of January 2011, the need had arisen to look for new approaches to deal with problems tour guides are facing. Entrepreneurial activities must consequently be established.

Entrepreneurship is a multi-discipline phenomenon that involves change initiation, creative resourcing, entrepreneurial learning, innovation and creativity, as well as knowledge leadership, opportunity alertness, relationship management, and timing of action (Aghapour, et al., 2012).

Many developed Western economies recognized the role of entrepreneurial activities in stimulating innovation and change, employment and new venture creation, growth in economic activity and technical progress (Lugosi & Bray, 2008; Skokic & Morrison, 2011; Aghapour et al., 2012). Entrepreneurship and innovation are critical factors in tourism and are both central to the continued success and development of the industry, both globally and regionally (Blichfeldt, 2009; Lopez et al., 2009). Recently some entrepreneurial activities such as booking agencies and low budget hotels or airline have been established (Aghapour et al., 2012).

7 ENTREPRENEURSHIP IN EGYPT:

Promoting entrepreneurship in Egypt for youth employment creation is a great challenge (Jochaud et al., 2014). The 2012 GEM Study (2012) has been the first to capture the effect of the 25th of January, 2011 revolution on entrepreneurship in Egypt (Hattab, 2013). Due to its vital role in job creation, opening up opportunities for youth, stimulating innovation and other aspects that contribute directly to the economic prosperity of the country, more attention has been paid to entrepreneurship in Egypt over the past few years. An increasing number of key players engaged in entrepreneurship in Egypt has appeared, such as The Middle East Council for Small Business and Entrepreneurship, BADER entrepreneurship programme, Egypreneur, Innoventure, Startup Weekend and others, through activities organised in the different governorates of Egypt targeting all age categories including business plan competitions, global entrepreneurship week that has been held on annual basis since 2008, networking events, etc (Hattab, 2013).

The entrepreneurial life cycle includes crucial factors to be promoted in order for entrepreneurs to thrive: entrepreneurship culture, education and training, support services, access to finance, access to market and technology transfer and the promotion of innovation (Jochaud et al., 2014). These are indeed the major factors needed for enhancing and promoting tourism and tour guiding in Egypt in the future.

8 RECOMMENDATIONS:

The recommendations of the research deal with various factors that mainly involve innovation, creativity and entrepreneurial activities. These, however, must be accompanied by a series of practices that will help to improve the present situation. In times of crisis, the main goal is sustainability and not profitability (Cernusca & Dima, 2010). There are some policies to be implemented:

8.1 Crisis management measures to be established:

The organization of a task force composed of local government officials, local travel and tourism industry professionals is highly recommended (Sönmez, 1999). This group should draft a current crisis management plan and develop a crisis management guidebook (Nassar, 2012). It will take the responsibility of restoring new levels of safety to an area of potential violence. It can also protect and rebuild the image of safety by re-establishing the area's business functionality and attractiveness (Nassar, 2012). A full recovery plan comprised of a partnership between the public sector (the Egyptian government) and private sectors (Tourism sector analysts and experts) needs to be developed to restore Egyptian tourism to its original state. It is also noteworthy that the Ministry of Tourism in Egypt has a main role in planning for the development of tourism and the coordination between public and private sectors. Its main efforts are encouraging enterprise development by resolving problems, removing constraints, and offering new opportunities (Handoussa et al., 2010). Tourism companies, on the other hand, must promote diversified tourism packages both for domestic and foreign tourists at relatively lower prices (Nassar, 2012).

8.2 Tour guides' education and training:

Educating and training guides is one of the great challenges in the present situation. A national theme curriculum must be created among academic institutions and tour guides syndicate, in order to deliver well educated and trained tour guides. This can be achieved by developing the educational programs adhered by the institutions, and the training courses organized by the syndicate under the patronage of the Ministry of Tourism (El-Sharkawy, 2007).

8.3 Entrepreneurial practices:

In this era of virtual communication, it is important to implement innovative tools to promote tourism and accordingly improve tour guiding, such as using websites and promoting tourism online through social networking (Facebook, Twitter, LinkedIn) (Cernusca & Dima, 2010; Nassar, 2012).

It has to be mentioned that some tour guides have initiated an entrepreneurial practice in the past few years; they designed private websites for themselves, through which they can promote for their work and sell tours (Viator Tour Guides; Egypt Private Tours; Egypt Guided Tours & Tour Guides Directory). Interviewed tour guides mentioned that this trend is becoming more widespread among Egyptian tour guides. It enables them to promote tours and all its related services through the internet, using social media websites. Marketing their services requires building contacts with travel agencies, hotels, companies and individuals on all levels in order to provide their clients with the best offers. It has the advantage of being managed from home and to produce a good income. The key to success is to create coordination with tourism suppliers and to build alliances with all relevant tourism promoters. They explained that it only has the inconvenient of adding more taxes to tour guides. They are treated

differently by the government when they pay their taxes because they are the ones who organize the trips not travel agencies or tour operators.

In this respect, the researcher suggests the introduction of a new technology that might help tour guides improve their situation. It is a service offered online by tour guides in the form of Virtual Tours organized on the tour guides' websites. Such virtual tours will be paid online since they will be accompanied by commentaries and information given on the spot from tour guides to tourists. Tourists will have the opportunity to make a tour in sites through live videos or 3D sites, and to profit from guides' information.

Undoubtedly this might not totally satisfy tour guides who need live interaction with tourists, but it could be one of the proposed solutions for the present time. In fact, no one can deny that technology has had its negative effect on tour guiding with the development of Information and Communication Technology and the use of Tour Guides Applications that are now available on mobiles (Brown & Chalmers, 2003; Kenteris et al., 2009; Chang et al., 2012; Alshattnawi, 2013).

9 CONCLUSION:

To conclude, it must be mentioned that rising unemployment in Egypt is at the forefront of economic and social challenges (World Bank, 2013). THE importance of tour guides cannot be underestimated for quality tourism experience of tourists visiting a destination.

Tourism administrators and organizations have to help guides in carrying out their roles through creating a good work environment, superior quality of work life, pride in work, safe and secure jobs, not to mention good relationships with stake holders, and all procedures that enable them to enjoy their jobs and professionalism (Prakash & Chowdhary, 2010).

This paper raises a few issues about the intervention of technologies in tour guiding and the need to apply entrepreneurship in order to create innovative solutions that will cope with new trends and applications. Also, it points to the issue of funding that is necessary for tour guides, since the implementation of new techniques imposes financial resources (Jochaud et al., 2014).

The report of the World Travel and Tourism Council (WTTC) in 2014 offers 10-years forecasts which assess and quantify the value of Travel & Tourism's contribution to GDP and employment. According to the information it provides, the direct contribution of Travel and Tourism to GDP was EGP 96.8bn (5.6% of total GDP) in 2013, and was forecast to rise by 1.9% in 2014, and to rise by 4.9% pa, from 2014-2024, to EGP 158.6bn (5.5% of total GDP) in 2024. The direct contribution of Travel and Tourism to Employment in 2013 was 1,251,000 jobs (5.1% of total employment). This was expected to rise by 2.4% in 2014 and rise by 2.5% pa to 1,648,000 jobs (5.2% of total employment) in 2024 (WTTC, 2014). These valuable forecasts undoubtedly indicate that the situation in Egypt is still promising.

It is noteworthy that research and development play a crucial role in enhancing entrepreneurship and promoting new high growth ventures. Therefore, it is crucial to establish a strong link between different sectors, particularly between the academic and the private sectors (Jochaud et al., 2014).

Finally, it is highly assumed that, with the return of political stability, tourism activities, including tour guiding, will have a new powerful start.

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THE USE OF TEXT MINING TO EXAMINE THE EFFECT OF THE EGYPTIAN REVOLUTION ON TOURISTS' SENTIMENTS TOWARDS VISITING THE COUNTRY

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ABSTRACT

The Egyptian revolution (25 January 2011) had a major impact on the Egyptian society, the economic sectors as well as a shift in the political relationships with the outside world. Tourism, as one of the major sectors upon which Egypt has been relying for the past years to cover deficiencies in the balance of payment has been seriously affected.

This study tends to use text mining applications to examine tourist sentiments towards Egypt in the period of 2011-2015 using samples of blog posts from a popular social media platform (TripAdvisor). Furthermore, the study applies correlation analyses to test whether there was a relationship between tourists' sentiments towards Egypt at that period and actual tourist numbers visited Egypt at the same period.

The results of text mining analyses showed, that security problems played a major role in forming a negative sentiment towards visiting Egypt if also associated with foreign governmental bans to visit the country. These sentiments were clearly reflected in the number of tourists.

It is worth to mention, that also fluctuations between negative and positive sentiments and number of tourist visits were noted. That could be closely linked to different events occurring in the country at that period.

It is recommended that tourism stakeholders closely monitor social media platforms and provide accurate information to tourists to impact decision making.

Keywords: Egyptian revolution, Text mining, Tourism sector, TripAdvisor, Tourist visits.

1 INTRODUCTION

The Egyptian revolution, which had its outburst in the 25th of January 2011, was a result of anarchy and corruption that dominated the picture for several years. People flounced and the country's long-ruling regime was deposed.

The revolution and the numerous events that followed had a major effect on the tourism sector which is considered a highly sensitive sector if associated with political instabilities. Tourism is one of the important sectors that Egypt depends on to cover deficiencies in the balance of payment.

According to 2008/2009 statistics, the tourism sector covered about 42% of the deficiencies of the commercial balance of payment. This percentage fluctuated since then between increases and decreases till it reached 44% in 2012/2013(Ministry of Planning, 2014).

The objective of this research was to analyze the sentiments of actual and potential visitors in order to get useful insights about fears and concerns that overwhelmed visitors in the period between 2011 and 2015. The research also examined whether these sentiments could be linked to the number of tourists visiting the country at that period.

The research hyposized the following:

H1: Customer generated content are useful to extract valuable information about customer sentiments*.*

H2: There is a relationship between sentiment polarity of certain keywords used in reviews and number of tourist arrivals.

This research is divided into two parts. The first part includes some background information about an emerging field of research, namely sentiment and opinion mining and an overview of some events that occurred in Egypt after the revolution. This background information is necessary to understand the drop in tourist arrivals and the sentiments of visitors towards Egypt at that period. This part also covers a review of related literature and formulation of research question. The second part consists of a depiction of research approach and methodology that were used to test the hypotheses.

2 BACKGROUND ON TEXT MINING AND SENTIMENT ANALYSIS

Sentiment analysis or opinion mining refers to "the application of natural language processing, computational linguistics, and text analytics to identify and extract subjective information in source materials" (Katarzyna *et al.*, n.d.)

In today`s era of Internet technologies and associated social media avenues such as blogs, discussion forums, peer-to-peer networks and other types of social media, consumers have unprecedented possibilities to share their experiences and opinions regarding any product or service. Businesses and

destinations have nowadays exceptional opportunities for information retrieval. This huge number of consumer reviews offers a chance for businesses to analyze and make statistical inferences about consumer behavioural patterns in the field of tourism and hospitality.

In late 2012, Expedia's set of verified reviews reached a total number of more than7.5 million (Media room Expedia, 2012). This huge number of available customer generated content could be effectively used to develop business intelligence strategies. These reviews reflect actual experiences and generate word-of-mouth marketing for certain brands or destinations. If not carefully monitored, this indirect marketing opportunity could harm brand reputation and destination images. Reputation management strategies are nowadays widely used to limit the negative word-of-mouth that can be quickly spread through the viral effect of social media.

The challenge that faces businesses and destinations is how to convert this wide range of data into useful insights. There are several approaches that can be used to extract useful information from social media such as *channel reporting tools, overview score- carding systems* and *predictive analytic techniques* like text mining (Pang *et al.,* 2008).

Companies and destinations are becoming more convinced, that the viral effect of social media can play a major role in shaping the opinions of other consumers, their brand loyalties and their purchase decisions. Sentiment-analysis technologies can be effectively used for extracting opinions from unstructured human-authored documents. This could help travel businesses and destinations change their marketing messages, consider different tools for brand building or develop different strategies for positioning.

Nevertheless, this data can be used to draw general insights about overall sentiments and opinions but need further investigation to stand upon customer needs, behaviours and preferences (Pang *et al.,* 2008).

The objective of this research was to extract useful insights about tourists` sentiments from online customer generated content posted on TripAdvisor. The reviews could be categorized as being posted by tourists that visited the country and were sharing their experience. Another category of reviews consisted of inquiries and investigations from those under consideration for a future visit. These potential visitors were seeking advice and were exposing their fears to go through with their plan to visit the country in the period of instabilities from 2011till 2015.

3 AN OVERVIEW OF THE POLITICAL SITUATION IN THE PERIOD OF 2011-2015 (MC-DAOULYIA, 2015).

The following events constitute the most important stations in the history of Egypt since the date of (January 25) until today.

On January 25th, more than a million demonstrators gathered in Cairo's Tahrir Square, which has become a symbol of the revolution. Demonstrations continued in Tahrir Square in Cairo and other parts of Egypt and the number of protesters escalated as days went by.

On February 11, 2011 Mubarak, after several speeches, stepped down and a military council headed by Supreme Commander of the Armed Forces announced running the country on a temporary basis.

In January, 2012 the Supreme Judicial Elections Commission announced that the Islamists have received more than two-thirds of the seats in the parliamentary elections.

June, 2012 Morsi won the run-off in the presidential election by 51.7%, and led the country on the thirtieth of June to became the first president of Egypt after free elections.

Due to chaos that ruled the country, a campaign to collect signatures calling for the isolation of Morsi and the holding of early presidential elections was launched.

In June 2013, on the first anniversary of Morsi`s presidency take-over, millions of Egyptians began mass demonstrations for days to demand him stepping down.

In July 3rd 2013, Sisi announced the isolation of Morsi and the inauguration of the President of the Constitutional Court Counselor temporarily as president. In May 2014, Sisi won presidential election by 96.91 percent.

All these events had major effects on Egypt internally and externally. The economy of Egypt in particular was majorly influenced by the events succeeding the revolution. Tourism, as a sensitive industry was extremely affected by the political unrest that ruled the country as will be presented later in succeeding parts of this research.

4. RELATED WORK AND RESEARCH QUESTION

With the emergence of social media and associated UGC a new stream of research tackled the approaches of sentiment analysis and opinion mining using language processing techniques (Hu *et al.*, 2004; Pang *et al.*, 2008). Some work was also devoted to automated extraction of product reviews (Lee *et al.*, 2011).

Other researchers studied the affect of product reviews on product sales with the focus on numeric review ratings (e.g., Godes *et al.*, 2004; Chevalier *et al.*, 2006; Liu 2006; Dellarocas *et al.*, 2007; Duan *et al.*, 2008; Forman *et al.* 2008).

Decker *et al.* (2010) used text mining to forecast the effect of product features and brand names on the overall evaluation of the products. A research by Ghose *et al.* (2012) aimed at improving the recommendation strategy for travel search engines in order to provide customers with most suitable hotel choice early on the search process.

A study by Marrese-Taylor *et al.* (2013) determined consumer preferences about tourism products, particularly hotels and restaurants, using opinions conveyed in customer reviews on TripAdvisor. Results showed that tourism product reviews could provide precious information about customer preferences that can be extracted using aspect-based opinion mining approaches.

The purpose of the study by Claster *et al.* (2013) was to examine whether tweets could convey market intelligence opportunities. The results showed that tweets or micro-blogs if sentiment mined can be used as a valuable source of information for market research in the tourism and hospitality industry.

A study by Banerjee *et al.* (2015) examined to what extent authentic and fake reviews could be distinguished. The researchers used supervised learning algorithms based on four linguistic clues, namely, understandability, level of details, writing style, and cognition indicators for analysis.

A research by ComScore (2007) revealed that customer generated content has a more significant influence on customer sales if compared to content generated by professionals.

The study by Xiang *et al*. (2010) confirmed the growing significance of social media in e-tourism and the importance of them as a source of information.

Based on the review of the literature the research question arised:

Could customer generated content be used to extract valuable knowledge about customer preferences and behavioural patterns?

In order to answer this question, the study adopted a methodology that extracted data from TripAdvisor reviews to examine sentiments and opinions of actual and potential visitors towards Egypt in the period of 2011-2015. The research also went beyond overall text polarity for sentiment analysis and shed light on some keywords that expressed concern and fears in order to get more subtle insights about customer needs, concerns and worries.

5 DATASET AND METHODOLOGY

TripAdvisor, a popular social media platform, was founded in 2000 and currently covers more than 4.9 million accommodations, restaurants, and attractions. TripAdvisor contains 225 million travel reviews and opinions written by 5 million registered members and counts 340 million visitors per month. People on TripAdvisor can exchange information about destinations, tourism products, services, travel experiences, weather, shopping or any other topic (TripAdvisor, 2015).

In order to conduct sentiment analysis for TripAdvisor reviews, the researcher relied on an open source text mining software called *Semantria*. This software accomplishes language processing tasks. It includes several features like overall text sentiment analysis, queries, intentions, facets, entities, language among others. Some of these features can be customized by the user.

The data collection phase entailed gathering reviews from TripAdvisor covering the period of 2011-2015. The phrase "Safe to travel to Egypt" was used in TripAdvisor search engine. The query generated a total of 2352 reviews. The results were filtered (data cleaning phase) and a total of 895 unrepeated reviews were extracted for the purpose of this research. The software is an excel add-in, so the results of the

analysis were presented in the form of an excel sheet accompanied by some charts of selected features. The analysis focused on features such as overall text polarity (sentiment), queries, entities...etc.

5.1 Results

The data set of 2011:

Semantria uses an algorithm to calculate sentiment polarity. The document sentiment has a range spread from -2 to 2, where -2 is really negative, -1 is negative, 1 is positive, and 2 is really positive.

The data set of 2011, which comprised of 101 reviews, showed that the overall polarity of the reviews was positive (84%) while 4% were negative reviews and 12% were neutral reviews *(Table1).*

Table 1: Overall polarity of reviews according to year.

	Positive Polarity (%)	*Negative Polarity (%)*	*Neutral Polarity (%)*
2011	84	4	12
2012	92	1	7
2013	91	1	8
2014	92	2	6
2015	92	1	7

Source: Semantria, 2015.

This study tended to examine the effect of the Egyptian revolution on the sentiments of actual tourists and also on potential visitors. In order to examine this phenomena, special keywords related to "safety", "security", "curfew", "traffic", " politics", "service"...etc were chosen and set up in the query feature. The query count showed that in 2011 the keywords related to category "safety" appeared 100 times in the reviews and had an overall neutral polarity. The word "service" appeared 34 times with neutral polarity. The word "politics" appeared 31 with also neutral polarity *(Table 2).*

Table 2: Query, Query Count, Query Sentiment Score and Query Sentiment Polarity of TripAdvisor reviews of 2011

Query	Query Count	Query Sentiment Score	Query Sentiment Polarity
safety	100	0.012157905	neutral
service	34	0.033683971	neutral
Politics	31	0.021857854	neutral
security	22	0.026701482	neutral
traffic	21	0.027466889	neutral

Source: Semantria, 2015.

The feature entity entails some categories such as *Product, Company, Person* and *Place*. The sub-category place was chosen and customized with entities like "Egypt", "Cairo", "Luxor", "Aswan"…etc. The analysis showed that the keyword Egypt occurred 92 times in the reviews with 56 times as positive entity, 27 as neutral entity and 9 times as negative entity. The keyword "Cairo", which was categorized as place entity, appeared 43 times in the reviews with mainly positive polarity (33 times). "Luxor" and "Aswan" occurred mainly in the reviews as positive entity with no negative entity *(Table 3). Figure 1* is a bar chart of entity categories and their associated polarities.

Table 3: Entity Count, Type and Polarity of TripAdvisor reviews of 2011.

Entity	Entities Count	Entity Type	Positive Entities	Neutral Entities	Negative Entities
Egypt	92	Place	56	27	9
Cairo	43	Place	33	9	1
Luxor	18	Place	14	4	0
Aswan	9	Place	8	1	0

Source: Semantria, 2015.

Figure 1: Entities Sentiment Breakdown of TripAdvisor reviews of 2011.
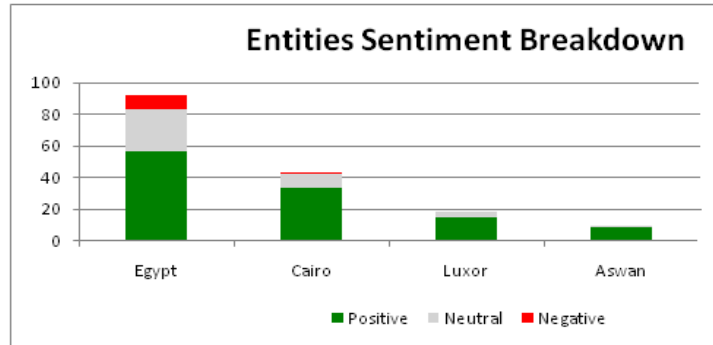
Source: Semantria, 2015.

The data set of 2012:

The data set of 2013 included 261 reviews. By analyzing the data it showed that the overall polarity of the reviews is positive (91%) while 1% of the reviews are of negative polarity and 8% of neutral polarity. The query count of the selected categories and their associated keywords showed that in 2013 the category "safety" could be detected 258 times with an overall neutral polarity. The category "service" appeared 74 times with also neutral polarity. Furthermore, the keywords associated to category "politics" appeared 67 times with neutral polarity. The category "Security" with its subcategory keywords occurred 61 times associated with neutral polarity. Category "media" occurred 42 times in the reviews of 2013 with neutral polarity. In 2013, a new category "curfew" appeared 17 times associated with neutral polarity while the keywords of category "danger" occurred 14 times with neutral polarity.

The *entity* analysis of the data set of 2013 showed that the keyword Egypt occurred 239 times in the reviews with 154 as positive entity, 66 as neutral entity and 19 times as negative entity. The entity "Cairo" occurred 98 times in the reviews mainly as positive entity (60 times). "Luxor" and "Aswan" mainly showed up as positive entities.

The data set of 2013:

The data set of 2013 included 261 reviews. By analyzing the data it showed that the overall polarity of the reviews is positive (91%) while 1% of the reviews are of negative polarity and 8% of neutral polarity. The query count of the selected categories and their associated keywords showed that in 2013 the category "safety" could be detected 258 times with an overall neutral polarity. The category "service" appeared 74 times with also neutral polarity. Furthermore, the keywords associated to category

"politics" appeared 67 times with neutral polarity. The category "Security" with its subcategory keywords occurred 61 times associated with neutral polarity. Category "media" occurred 42 times in the reviews of 2013 with neutral polarity. In 2013, a new category "curfew" appeared 17 times associated with neutral polarity while the keywords of category "danger" occurred 14 times with neutral polarity.

The *entity* analysis of the data set of 2013 showed that the keyword Egypt occurred 239 times in the reviews with 154 as positive entity, 66 as neutral entity and 19 times as negative entity. The entity "Cairo" occurred 98 times in the reviews mainly as positive entity (60 times). "Luxor" and "Aswan" mainly showed up as positive entities.

The data set of 2014:

The data set of 2014 comprised 266 reviews. By analyzing the data it showed that the overall polarity of the reviews was positive (92%) while 2% were of negative polarity and 6% of neutral polarity. The query count of the selected categories showed that in 2014 the category "safety" could be identified 263 times with an overall neutral polarity. The category "service" appeared 82 times with also neutral polarity. Furthermore, the keywords associated to category "politics" could be detected 54 times with neutral polarity. The category "Security" with its subcategory keywords occurred 47 times with also neutral polarity. In 2014, category "curfew" appeared 20 times associated with neutral polarity while the keywords of category "danger" occurred 9 times with neutral polarity.

The *entity* analysis of the data set of 2014 showed that the keyword Egypt occurred 240 times in the reviews with 160 times as positive entity, 68 as neutral entity and 12 times as negative entity. The entity "Cairo" occurred 96 times in the reviews mainly as positive entity (61 times). "Luxor" and "Aswan" could be mainly identified as positive entities. A new entity "Giza" appeared 14 times in the reviews of 2014 with 7 times as positive entity and 7 times as neutral entity.

The data set of 2015:

The data set of 2015 included 110 reviews. Analyzing the data it can be noticed that the overall polarity of the reviews was positive (92%) while 1% of the reviews were of negative polarity and 7% of neutral polarity. The query count of the selected categories showed that in 2015 the category "safety" could be identified 108 times with an overall neutral polarity. The category "service" appeared 31 times with also neutral polarity. In addition to that, the keywords associated to category "politics" could be detected 22 times with neutral polarity. The category "Security" with its subcategory keywords occurred 12 times with also neutral polarity. Category "traffic" occurred 15 times with neutral polarity. In 2015, category "security" appeared 20 times associated with neutral polarity.

5.2 Tourist arrivals in Egypt in the period of 2011-2015:

The following table 4 shows the number of tourist arrivals in Egypt in each month of 2011 (CAPMAS, 2015). It can be noticed that the number of tourist arrivals fluctuated in that period. This can be

interpreted as a result of political instabilities that dominated the country in that year in particular. The number of tourist arrivals reached the minimum in the months of February and March as these months were the months that succeeded the events of the revolution. It can also be detected, that the number of tourist arrivals in the summer season of 2011 in particular declined if compared to the number of tourist arrivals in the same months of the year before.

An overview of the number of tourist arrivals of the period ranging from 2009-2015 showed that the number of tourist arrivals fluctuated between rise and fall according to events occurring in the country. The number of tourist arrivals reached its maximum in 2010 with approximately 14 million tourist arrivals. The number declined in 2011 due to political unrest and it picked up in 2012 to reach 11.5 million. In 2013 it decreased again due to instabilities in the political regime. After the presidential election in 2014, better security and stability in Egypt could be detected, which had been reflected in the lifting or softening of negative travel advisories and bans by a number of foreign countries. It is estimated that the tourism industry will recover in 2015 to reach 13 million tourists *(Table 5, Figure 2)*. Tourists are starting to return after more than three years of turmoil that drove them away.

Table 4: No. of Tourist arrivals of 2011 per month

Month	No. of tourist arrivals 2011
January	**1147962**
February	**210971**
March	**535111**
April	**800458**
May	**708784**
June	**731601**
July	**935585**
August	**907257**
September	**917354**
October	**1077081**
November	**1018352**
December	506484
Total	9,497,000
Source: CAPMAS, 2015	

Table 5: No. of Tourist arrivals in Egypt

Year	No. of tourist arrivals
2009	11,914,000
2010	14,051,000
2011	9,497,000
2012	11,500,000
2013	9,500,000
2014	12,800,000
2015	13,500,000*
*estimated	Source: CAPMAS,2015
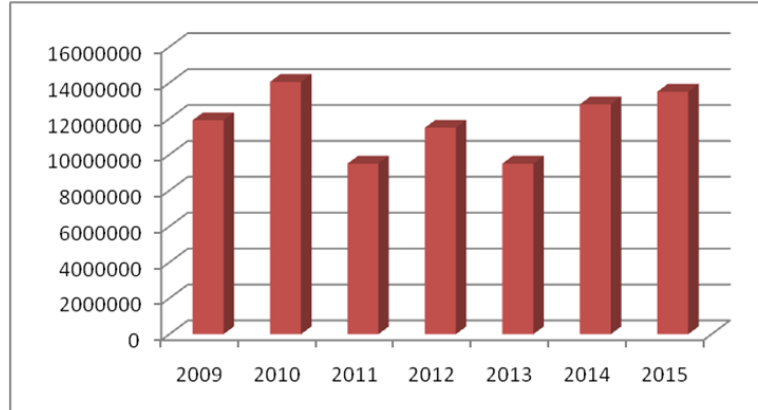
Figure 2: Bar chart that demonstrates fluctuations in number of tourist arrivals to Egypt from 2009-2015

5.3 Discussion of results:

The purpose of this research was to examine the importance of user generated content and the possibilities to extract useful data that could be effectively used by tourism organization to develop business intelligence strategies. This research also aimed at examining the possibility to monitor tourist sentiments towards a certain destination (in our case Egypt) and whether these sentiments could be linked to actual tourist arrival data.

As mentioned before, tourist reviews in social media are playing an important role in the formation of opinions and sentiments towards products, services and destinations. Potential tourists are seeking advice to form an image about a certain product, service or destination. They find in the experience of others a guideline to decide for future plans.

The research showed, that social media reviews that were posted by actual tourists, consultants in the field or advisories reflected to an extent the overall sentiment and opinion about a certain destination. Although the results of the analysis conducted by the text mining software analytic showed that the overall sentiment of the reviews covering the period of 2011-2015 about Egypt were positive, an advanced investigation and analysis of the data revealed more subtle insights.

By calculating the **median** of sentiment polarity for the reviews of each year, it showed that the reviews were scattered around the score of 0.4. This means, that although the overall sentiment of the reviews was positive, the scores were very low and were closer to negative polarity. The tourists who visited the country or the inquiries of potential visitors showed to a certain extent some worries and concerns. *Table 6* is a scatter for overall polarity scores and median line of 2011 reviews.

In order to look closer at tourist sentiments, the researcher conducted special queries to examine keywords that describe concern, danger and anxiety. The analysis showed that categories like "safety"

that enclosed keywords such as *safe* or *safety*, category "security" that included keywords like *danger* or *dangerous* or *secure* and category "politics" that comprised of keywords such as *election* or *constitution* or *political,* had occurred several times in all reviews covering the period of 2011-2015*.*

Although the identified polarity of these categories and their associated keywords were neutral, the scores were ranging from 0.001 to 0.003. As previously stated polarity scores have a range spread from -2 to 2, where -2 is really negative, -1 is negative, 1 is positive, and 2 is really positive. This means that sentiments associated to keywords that expressed worry and concern were very near to negative polarity. Some keywords such as curfew, danger and media started to appear in some reviews of certain years. It is clear, that the occurrence and the density of some keywords reflect the sentiment of fear and anxiety overwhelming potential and actual visitors at that period of instability.

Table 6: Scatter of overall sentiment polarity scores and median line of 2011 reviews
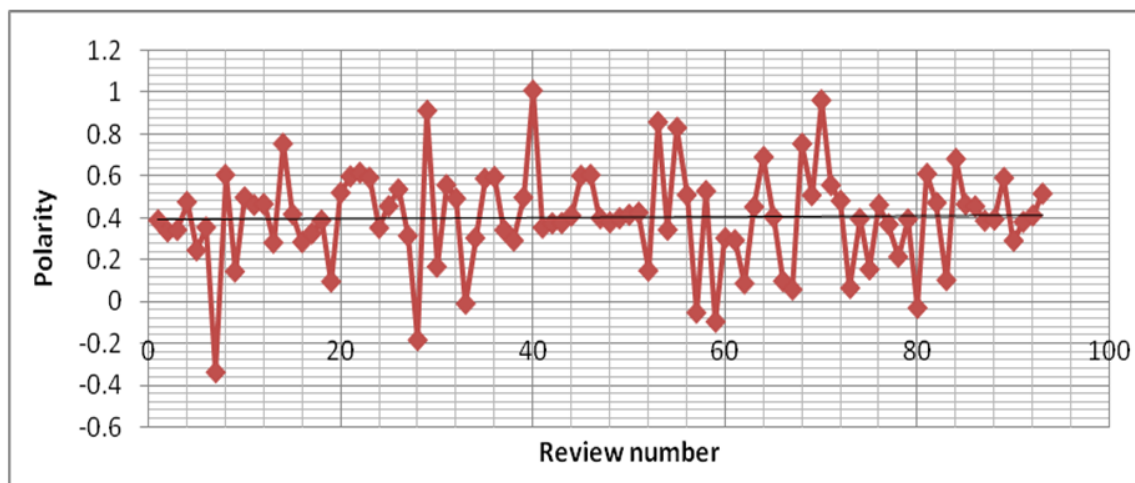
Accordingly, the first hypothesis of this research that states: Customer generated content are useful to extract valuable information about customer sentiments*, cannot be rejected.*

In order to test the second hypothesis that stated that: There is a relationship between sentiment polarity of certain keywords used in reviews and number of tourist arrivals, the researcher conducted a correlation analysis with **polarity score of category "Politics"** and **number of tourist arrivals** *(Table 7).*

Correlation coefficient of the two data sets was 0.447629 with $p < 0.001$. This indicated a positive relationship between the two variables, namely **polarity score of category "Politics"** and **number of tourist arrivals.** Pearson's r sign was positive which signified a positive relationship between the two variables. Therefore the second hypothesis *cannot be rejected* substantiated by the results of correlation analysis.

Table 7: Polarity score of category "Politics"

	Reviews of 2011	Reviews of 2012	Reviews of 2013	Reviews of 2014	Reviews of 2015
Polarity score of category "Politics"	0.02186	0.01688	0.005411	0.009961	0.031866

Source: Semantria, 2015

6. CONCLUSION AND SUGGESTIONS FOR FUTURE RESEARCH

Looking at the literature and practical experience in the Tourism and Hospitality industry it could be noted, that organizations and destinations are nowadays looking for new ways to gain knowledge about their customers. This knowledge could be further analyzed to gain insights for product development and customer service.

Previous research showed that through the use of customer generated content "businesses can improve customer profiling, customer acquisition, customer engagement, brand awareness, brand reinforcement, reputation management and customer service" (Dellarocas, 2003; Laboy and Torchio, 2007).

This research tended to examine the possibilities to make use of the huge amount of data gathered from customer-generated content. This data could be considered as a real-time knowledge of tourist`s sentiments, opinions and concerns regarding tourist destinations (Claster *et al.*, 2013)

Text mining methodologies had been used to extract useful data from TripAdvisor reviews. The analysis revealed some important insights about tourist sentiments, concerns and preferences towards Egypt in the period of 2011-2015.

It is recommended, that tourism organizations closely monitor customer generated content as these are becoming indispensible tools for travellers to formulate an image of a brand or destination. Also NTOs should draw more attention to social media platforms and provide up-to-date and real-time news in order to eliminate the dissemination of false news.

Future work could be dedicated to combining qualitative (e.g questionnaires and interviews) and quantitative research methods to validate the accuracy of sentiments conveyed by social media reviews.

Also future research should be devoted to examining the consistency of sentiments among several social media platforms of a certain topic.

As Claster *et al.* (2013) noted, that sentiment mining is beginning to be applied in the field of tourism and hospitality in order to predict future decisions of customers. This emerging field of research of sentiment mining should be throuroughly investigated by researchers in order to find methods to efficiently extract valid knowledge about customer behavioural patterns.

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TIME VARYING CAUSALITY BETWEEN EXCHANGE RATES AND TOURISM DEMAND FOR TURKEY

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ABSTRACT

Turkey is one of the top tourism destinations in the world and the tourism industry has become an indispensable source of income. The main inbound tourism market for Turkey is Europe with a 50% average of the total tourist arrivals followed by Russia and the Asian countries. Tourism is an important industry, especially for tourist receiving countries where tourism is a major source of foreign exchange earnings. As the foreign exchange earnings are directly related with the tourist expenditure, the effects of prices or more commonly the exchange rates should be considered in any demand study. Accordingly, this study attempts to reveal the time varying causal relationships between exchange rates and tourist arrivals for European inbound tourist markets. The time varying linkages between the nominal Euro exchange rate and tourist arrivals from the EU-15 countries (namely; Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom) to Turkey for the period 2002:01-2014:12 are investigated using time varying bootstrap analysis. The results indicate that time-varying causality is bidirectional for different periods and different countries, but existing for each tourism market.

Keywords: Tourism demand, Exchange rates, Turkey, Time varying bootstrap analysis.

1.INTRODUCTION

International tourism plays an increasingly significant role in the world economy since 1950s. International tourist arrivals has increased from 25 million in 1950s to 1,1 billion in 2014 (UNWTO, 2015) with a total contribution of 9.8% to the global GDP (WTTC, 2015a). The growth of tourism in Turkey has pursued the same path and become evident in 1982 by means of the Tourism Encouragement Act, allowing government incentives for tourism investments.

Turkey has been one of the top tourism destinations in the world and attracted over 40 million tourists. The total contribution of tourism to the Turkish economy is 12% through 34.3 billion US$ direct tourism receipts (WTTC, 2015b; Ministry of Culture and Tourism, 2015).

Turkey receives tourists from all over the world, however the main inbound tourist market is Europe with a 52% of the total tourist arrivals followed by Russia (24%) and Asian countries (15%) by 2014 (Ministry of Culture and Tourism, 2015). Turkey is a popular destination for Europeans, because it is a nearby country with various attractions, relaxed visa regime and attractive exchange rate (Coskun and Ozer, 2011). Mostly, European markets have similar structures in terms of the purpose of travel, length and period of stay, visitor profile and expenditure. Tourists prefer Turkey for travel, entertainment, sportive or cultural activities with a share of 55% (Ministry of Culture and Tourism, 2009), and this assumption is valid for the Europeans as well.

Tourism substantially contributes to countries' economies by generating GDP, creating employment and socio-economic development opportunities (Wu, Li & Song, 2012). Regarding the importance of tourism for a destination economy and its direct link to tourism-related businesses, tourism demand analysis has attracted increasing interest from researchers. According to Song et al. (2009), tourism demand is defined as 'the quantity of tourism products that consumers are willing and able to purchase under a specified period and a given set of factors'. These set of factors, in other words, the determinants of tourism demand may vary from economic variables to cultural differences or cyclical circumstances and have been studied thoroughly in the tourism literature (Uysal & Crompton, 1984; Crouch, 1994 etc.). The results of these researches indicate that economic variables have greater impacts on tourism demand than other variables and the most distinctive one is income followed by relative prices and then the exchange rates (Zhang et al, 2011).

The microeconomic theory argues that demand is sensitive to prices. Various studies have demonstrated the price elasticity of tourism demand is considerably higher than unit elasticity (Içoz, Var & Kozak, 1997). Tourists compare market prices at the destination with the cost of living at home and substitute destinations. Relative price is the ratio of consumer price indexes between destination countries or substitutes and at home. However, as Crouch (1994) argued, tourists are generally not well informed in advance about price levels and price changes in destinations whereas they are reasonably well informed about the exchange rate mechanisms. With limited information on the price levels of destinations, tourists may have a tendency to respond to a change in exchange rates (Lee, 2012). The depreciation of a local currency will act as a decrease in the prices and stimulate international tourist arrivals (Wang et al., 2008). Conversely, appreciation of local currency will influence both tourist arrivals to the country and tourist

departures from the country as well. Accordingly, exchange rates are used as a proxy to measure price levels of different destinations in general. Because they are easier to obtain information and to understand, even to compare alternative destinations for tourists than relative prices or consumer price indices (Crouch, 1993).

The aim of this paper is to investigate the time-varying causal relationships between Euro exchange rate and tourism demand from the EU-15 countries (namely; Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom) by using bootstrap Granger non-causality tests with fixed size rolling subsamples developed by Balcilar, Ozdemir & Arslanturk (2010). The study is expected to contribute to a better understanding of tourist behavior interacting with exchange rates, as a proxy for relative prices. The results can be used by researchers, as well as practitioners to determine efficient market and price strategies and national policies for the tourism industry.

2. LITERATURE REVIEW

Uysal & O'Leary (1986) suggest exchange rates can be used as an independent variable along with per capita income, relative prices and promotional expenditures to predict and analyze international tourism demand. Furthermore, Webber (2001) states that exchange rate volatility affects tourists' destination choice and changes in the exchange rates are likely to have the same impact as relative price changes. That is the reason why exchange rate is a major determinant of tourist demand and exchange rate regimes with low uncertainty could promote tourism (Santana-Gallego et al, 2010; Wang et al., 2008). Fluctuating exchange rates can result in several different effects such as choosing a substitute destination or less traveling abroad, reducing the length of stay and the expenditures.

In tourism literature, there are many studies investigating the relationship between exchange rates and international tourism demand. These studies often argue whether fluctuations in the exchange rates effect demand or not by employing cointegration techniques, regression analysis and different methods. For example, Webber (2001) analyzed the long-run Australian outbound tourism demand for the period 1983Q1-1997Q4 for nine major tourism destinations by Johansen cointegration and Granger causality tests. The exchange rate volatility is found to be a significant determinant of the long-run tourism demand. Rosello, Aguilo & Riera (2005) modelled tourism demand for Balearic Islands from the UK and Germany by considering exchange rates as an independent variable, a determinant of tourism demand. Yap (2012) examined the effects of exchange rate volatility on Australian inbound tourism demand from 9 tourist generating countries by multivariate GARCH method for the period of 1991M1-2011M1 and found out appreciation/depreciation of a country's currency has impacts on demand volatility. Yap (2013) also investigated the impacts of exchange rates on Australia's domestic and outbound tourism demand using panel generalized least squares models and showed that the exchange rates influence both domestic and outbound travel decisions of the Australians.

Lee (2012) studied the causal relationship between foreign exchange rates and inbound/outbound tourism demand in South Korea. Johansen cointegration and Granger causality test were used for 1990M1-2010M9 monthly data. The results demonstrate there is a long-run relationship between

exchange rates and inbound/outbound tourism demand. Also, exchange rates affect outbound tourism demand, but the inbound tourism was not affected. DeVita (2014) analyzed the impact of exchange rate regimes on international tourism flows of 27 countries over the period of 1980-2011 by employing SYS-GMM method. The findings of the study supports that maintaining a relatively stable exchange rate using right policy decisions, tourism demand may also kept stable. Corgel, Lane & Walls (2013) investigated the effects of exchange rates on hotel demand in the US using quarterly data for 1988Q1-2012Q1 with a single equation partial adjustment framework. The results support the hypothesis of exchange rates effect hotel demand on different scales. Tang et al. (2014) investigated the dependence between tourism demand and exchange rates for China's inbound tourism demand using Copula-GARCH models using monthly data for the period 1994M1-2011M12. Among the studied six tourist generating countries, only Russia was found to be extremely sensitive to exchange rate volatility, but in general exchange rates were concluded not to be a determinant for the selected countries.

Var, Mohammad & Icoz (1990) modelled the factors effecting international tourism demand for Turkey by including exchange rates as an independent variable. Icoz, Var & Kozak (1997) analysed the determinants of tourism demand with multivaritate OLS based regression model. The results indicated that exchange rates have important effects on tourism demand. Akis (1998) also suggested exchange rates as a determinant of tourism demand in addition to a number of economic variables such as per capita income, prices in the host country and cost of travel. DeVita & Kyaw (2013) argues if the exchange rate is an indicator of Turkish inbound tourism demand from Germany using quarterly data for the period 1996-2009 by employing GARCH method. They conclude that exchange rates are significant determinants of tourism demand.

Nevertheless, the studies investigating the time-varying nature of this relationship are limited, and missing for Turkey in particular. Time-varying parameter (TVP) method is mostly used for examining the causal relationship between tourism demand/receipts and economic growth. Song & Wong (2003) proposed this new TVP approach to tourism demand modelling. This method ignores the restrictive assumptions of traditional methods assuming that the parameters remain constant over the sample period. They tested the appropriateness of the TVP approach to tourism demand modelling based on the data set of Hong Kong tourism demand from six major tourism origin countries, and confirmed that the method gave better results.

Li, Song & Witt (2006) developed time varying parameter (TVP) linear almost ideal demand system (LAIDS) to compare fixed parameter model results. The findings indicated that the TVP-LAIDS outperformed the traditional methods in case it allowed evolution of demand over time. Wu, Li & Song (2012) also analyzed the dynamics of consumption behavior of top four tourist markets for Hong Kong using annual data for the period 1984-2008 with TVP-AIDS model considering three major expenditure categories including shopping, hotel accommodation and meals outside hotels. Song et al. (2011) employed structural time series model (STSM) combining time-varying parameter (TVP) regression approach to forecast quarterly tourist arrivals to Hong Kong from four key source markets using quarterly data for the period 1985Q1-2008Q4. They compared seven different methods and STSM and TVP approach outperformed for ex post and ex ante forecasts.

Dragouni, Filis & Antonakakis (2013) employed VAR-based spillover index to investigate the time-varying relationship between tourism and economic growth for selected European countries using monthly data for the period 1995-2012. The results of the study indicates the relationship is not stable over time, exhibiting patterns during major economic events and these patterns are more apparent for some specific countries. Arslanturk, Balcilar & Ozdemir (2011) investigated the causal link between tourism receipts and economic growth using rolling window and time-varying coefficient estimation method for South Africa for the period 1960-2011. The results indicate bidirectional causality between tourism receipt and economic growth, basically the opposite of full sample VECM indicating no causality.

Arslanturk, Balcilar & Ozdemir (2011) compared time-varying coefficient model with VECM based Granger causality to determine the causal relationship between tourism receipts and GDP for the period 1963-2006 for Turkey. The results indicate that VECM based Granger causality does not exist, whilst time-varying coefficients model shows that tourism receipts can be used to predict GDP after the 1980s.

This study is expected to fill the gap in tourism literature and lead to a better understanding of the nature of tourist behavior with respect to the changes in the exchange rates, particularly for Turkey. Following section explains the methodology used for this purpose in detail.

3. METHODOLOGY

In this study, we investigate the time-varying causal relationships between international tourist arrivals to Turkey from the EU-15 countries and the Euro exchange rate by using bootstrap Granger non-causality tests with fixed size rolling subsamples developed by Balcilar, Ozdemir & Arslanturk (2010). As mentioned in their study, if structural changes exist in the data, the examination of the causal relationships between variables cannot be adequate considering the full sample, since the dynamic linkages between variables can exhibit instability across different sub-samples.

In this approach, to test the causality relationship, Granger non-causality method was used. As is well known, a variable X does not Granger cause Y, if the past values of X does not help to predict Y. The Granger non-causality test is performed to determine whether the lagged values of X are jointly significant or not by carrying out joint restriction tests of the Wald, Lagrange multiplier (LM), and likelihood ratio (LR) statistics within the vector autoregression (VAR) framework. But, as indicated in Aye et al. (2014), to get valid results from the implementation of these tests, time series in question should be stationary. According to Balcilar & Ozdemir (2013), if the time series do not exhibit stationarity, then these tests may not have standard asymptotic distributions, creating difficulties in the levels estimation of VAR models.

To solve these problems, some solutions can be utilized. As is indicated by Balcilar, Ozdemir & Arslanturk (2010) and Aye et al. (2014), the first attempt to overcome these difficulties had been made Toda & Yamamoto (1995) and Dolado & Lutkepohl (1996) proposing a solution to obtain standard asymptotic distribution for the Wald test based on the estimation of an augmented VAR with I(1) variables, or the long-run causality test of VAR (p) coefficients. According to their solution, there has to be at least one unrestricted coefficient matrix under the null hypothesis to generate standard asymptotic distribution.

However, Shukur & Mantalos (1997) showed that proposed Wald test does not exhibit the correct size in small and medium-sized samples after investigating the size and power properties of eight different versions of the Granger non-causality test in standard and modified form based on the Monte Carlo simulations. Shukur and Mantalos (2000) also suggested that the small sample corrected LR tests exhibit relatively better power and size properties, even for small samples.

Same Manto Carlo simulations indicated that the critical values may improve by applying the residual-based bootstrap (RBB) method because of the reason that the true size of the test in a system of one to ten equations converges its nominal value (Balcilar, Ozdemir & Arslanturk, 2010). The results of Mantalos & Shukur (1998) indicate that, in the absence of cointegration, all standard tests that do not use the RBB method perform inadequately, especially in small samples. Furthermore, according to Mantalos (2000), the bootstrap test possesses the best power and size in almost all situations, regardless of cointegration properties. Therefore, based on the findings and reasons stated so far, we prefer to use RBB based modified-LR statistic to examine the causal relationships between exchange rates and tourism demand.

To illustrate the bootstrap-modified Granger causality, we use the following bivariate VAR (p) process:

$$\begin{bmatrix} y_{1t} \\ y_{2t} \end{bmatrix} = \begin{bmatrix} \alpha_{10} \\ \alpha_{20} \end{bmatrix} + \begin{bmatrix} \phi_{11}(L) & \phi_{12}(L) \\ \phi_{21}(L) & \phi_{22}(L) \end{bmatrix} \begin{bmatrix} y_{1t} \\ y_{2t} \end{bmatrix} + \begin{bmatrix} \varepsilon_{1t} \\ \varepsilon_{2t} \end{bmatrix} \tag{1}$$

where y_1 is international tourist arrivals; y_2 is Euro exchange rate. ε_{1t} and ε_{2t} are error terms with zero mean, independent white noise processes with nonsingular covariance matrix Σ and p is the lag order of the process which is determined by the Akaike information criteria (AIC) or Schwarz criteria (SC). Also,

$$\phi_{ij}(L) = \sum_{k=1}^{p} \phi_{ij,k} L^k$$
, i,j=1,2 and L is the lag operator which is defined as $L^k x_k = x_{t-k}$.

To test causal relationships between international exchange rates and tourist arrivals, we have to impose some restrictions on the coefficients in Eq. (1). For instance, to test that international tourist arrivals does not Granger cause exchange rates, we have to impose zero restrictions on the coefficients of $\phi_{21,i} = 0$ for i=1,2, … , p. In other words, the null hypothesis that international tourist arrivals does not Granger cause the exchange rates can be explicitly written as follows:

$$H_0 : \phi_{21,1} = \phi_{21,2} = ... = \phi_{21,p} = 0 \tag{2}$$

If this null hypothesis is not rejected; then, we can conclude that international tourist arrivals does not Granger cause exchange rates. Also, to test whether exchange rates Granger cause international tourist arrivals, we have to test the following null hypothesis:

$$H_0 : \phi_{12,1} = \phi_{12,2} = ... = \phi_{12,p} = 0$$
(3)

Obviously, failing to reject the null hypothesis indicates that exchange rates does not Granger cause international tourist arrivals.

To test these hypotheses, we use the modified-LR statistic[41], which has χ^2 distribution with a degree of freedom equals to the number of restrictions imposed on coefficients. To compute the sample value of this test statistic, following expression is used:

$$LR = (T - k)\ln(\frac{\det S_R}{\det S_U})$$

(4)

where T is the number of observations and $k = 2 \times (2p + 1) + p$ and denotes the small sample correction term, $\det S_R$ and $\det S_U$ are the determinants of the restricted and unrestricted covariance matrices respectively.

As specifically emphasized in Balcilar and Ozdemir (2013) and Aye et al. (2014), test procedures that used to test the null hypothesis above assume the coefficients of the VAR model used in testing are not subject to any structural break: In other words, they are assumed to remain constant over time. Therefore, to get reliable results from the analysis, this assumption should be hold. Otherwise, we have to identify the structural changes and take into the estimation using techniques such as sample splitting or dummy variables. However, these techniques, according to Balcilar and Ozdemir (2013), may cause a pre-test bias. Therefore, to solve the parameter non-constancy problem and avoid pre-test bias, we use the rolling-window bootstrap estimation following Balcilar, Ozdemir & Arslanturk (2010). In this estimation, to analyze the effect of structural change, the rolling-window Granger-causality tests, based on the modified bootstrap test is used. If there is a structural change in the coefficients of VAR model, one can find instability across different sub-samples of the dynamic linkages between variables in question. Considering this instability, we apply the bootstrap causality test to rolling-window sub-samples for $t = \tau - l + 1, \tau - l, ..., \tau, \tau = l, l + 1, ..., T$, where l is the size of the rolling window. Implementing the rolling-window technique, a researcher uses a fixed-length moving window sequentially from the beginning to the end of the sample by adding one observation from ahead and dropping one from behind (Balcilar and Ozdemir, 2013). Notice that, each rolling-window sub-sample includes l observations. In each step of the process, the causality test is applied to each sub-sample, providing a (T$-l$) sequence of causality tests, as opposed to just one because of the two main reasons (Nyakabawo et al. ,2015): First, the rolling window approaches recognize the fact that the relationship between variables changes over time. Secondly, there will be an instability across different sub-samples caused by structural change taken into account by rolling-window estimation.

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[41] The details of the full explanation of the RBB Bootstrap procedure can be found in Nyakabawo et al. (2015) and Balcilar and Ozdemir (2013).

To examine the causal relationship between exchange rates and international tourist arrivals, we adopt three steps bootstrap rolling-window approach in four steps. In the first step of the process, we analyzed the unit-root properties of variables, by carrying out Carrion-i-Silvestre, Kim and Perron (2009) multiple break unit-root tests. Before implementing this test, we also performed Bai-Perron (2003) test to determine breaks in series. Secondly, to determine the parameter stability from the coefficients of the rolling-window VAR regressions, we perform the Sup-F, Mean-F, and Exp-F tests, which are developed Andrews (1993) and Andrews and Ploberger (1994). Then, we apply the LR test of parameter stability and the Johansen (1991) cointegration test to determine whether a cointegration relationship exists between the series, where we apply the fully modified ordinary least squares (FM-OLS) estimator to test for cointegration. Finally, we estimate the rolling VAR regressions and perform Granger causality tests using a fixed 156 monthly window. The results are obtained by 1000 bootstrap repetitions.

4 EMPIRICAL FINDINGS

This paper analyses the time-varying linkage between Euro exchange rate and Turkish international tourist arrivals from the EU-15 countries using monthly data for the period 2002M1-2014M12. Data for the exchange rates were obtained from Turkish Republic Central Bank and the data for tourist arrivals were obtained from the Ministry of Culture and Tourism websites. Eviews 8 and Gauss 10 software were used for analysis. The variables included in the analysis are as follows.
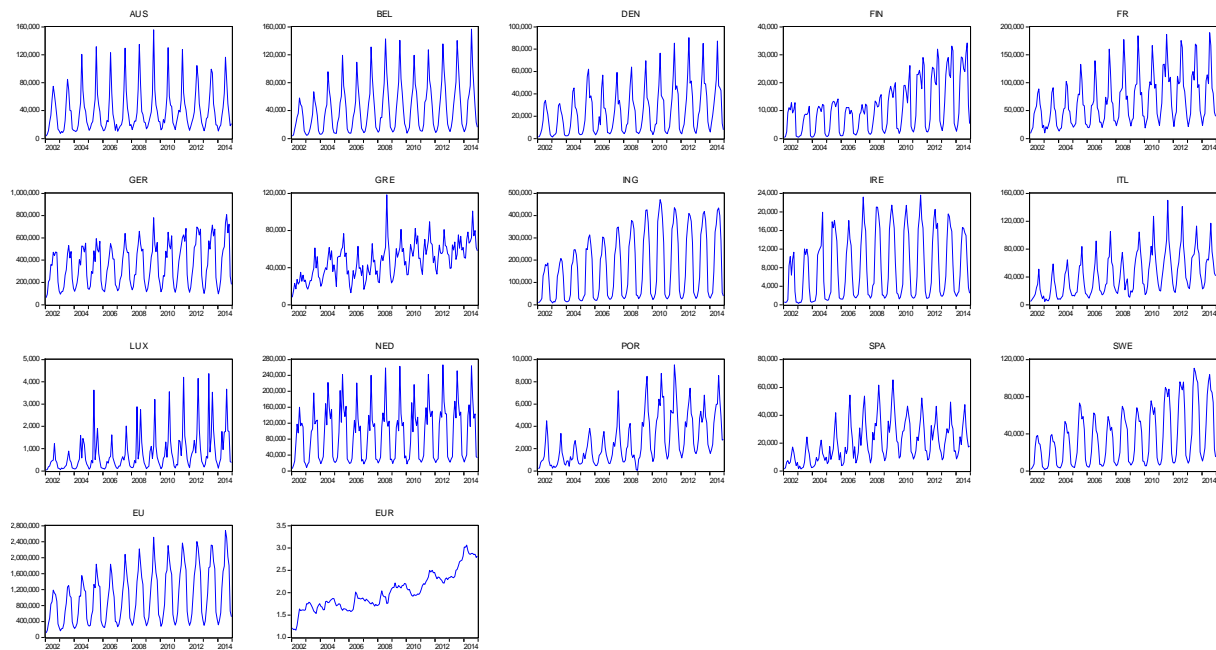

Figure 1 Graphs of Original Variables

Tourist arrival series are; LNAUS (Austria), LNBEL (Belgium), LNDEN (Denmark), LNFIN (Finland), LNFR (France), LNGER (Germany), LNGRE (Greece), LNING (United Kingdom), LNIRE (Ireland), LNITL (Italy), LNLUX (Luxemburg), LNNED (Netherlands), LNPOR (Portugal), LNSPA (Spain), LNSWE (Sweden) and LNEU

(total tourist arrivals from EU-15 countries). LNEUR is the nominal exchange rate for Euro. All of the demand series show strong seasonality and trend, and Euro shows trend as seen in Figure .

To avoid bias in the analyses, the demand series were seasonally adjusted using TRAMO/SEATS method and natural logarithms of all variables were used.   Figure shows the graphs of seasonally adjusted natural logarithms of the variables.
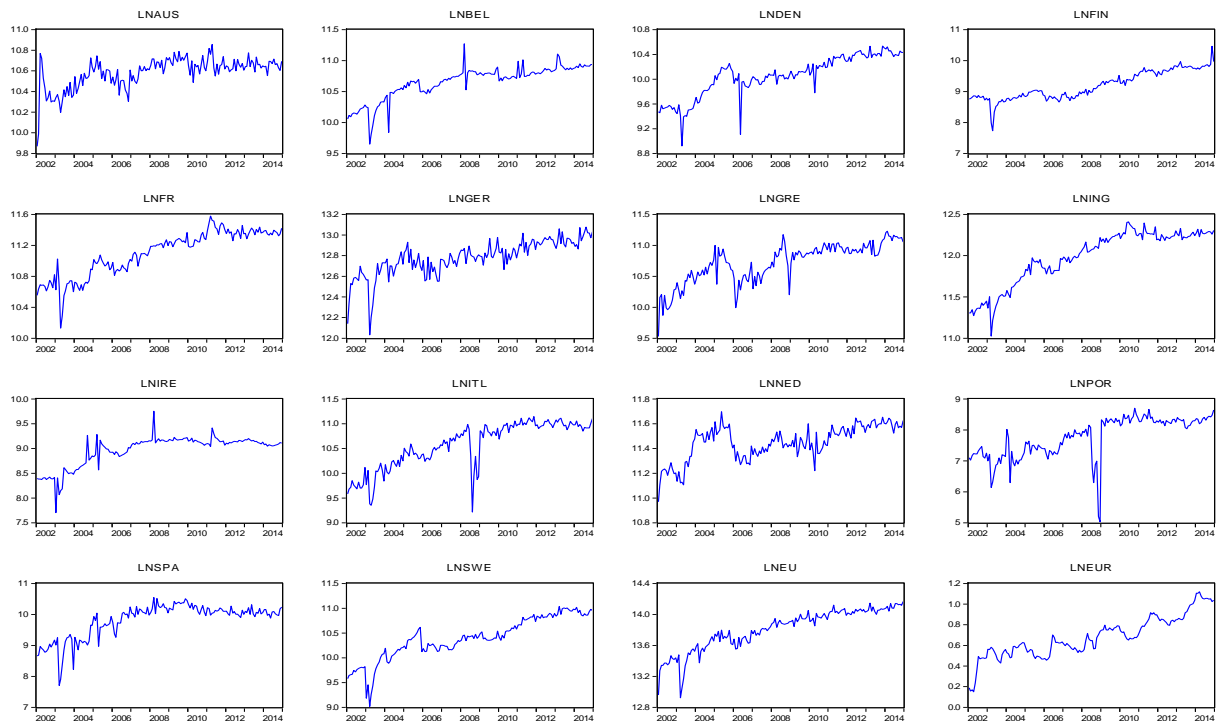
Figure 2 Graphs of Seasonally Adjusted Log-Values of Variables

Figure 2 also indicates multiple breaks in the series. Therefore, Bai-Perron multiple breakpoints test was used to determine significant breaks in the series. 1 summarizes the test results, indicating significant multiple breaks in all series.

Table 1 Bai-Perron Breakpoints Test Results

Variables	LNAUS	LNBEL	LNDEN	LNFIN	LNFR	LNGER	LNGRE	LNING	
# of Breaks	2	3	3	4	3	3	4	3	
Breakpoints	2004:01, 2007:06	2004:04, 2007:02,	2004:05, 2009:01,	2004:05, 2008:10,	2004:11, 2007:12,	2003M12, 2007M11,	2004M02, 2006M01,	2004M04, 2006M11,	

	LNIRE	LNITL	LNLUX	LNNED	LNPOR	LNSPA	LNSWE	LNEU	LNEUR
	2012:06	2011:01	2010:10, 2012:11	2010:09	2011M02	2008M01, 2010M09	2008M12		
Variables	LNIRE	LNITL	LNLUX	LNNED	LNPOR	LNSPA	LNSWE	LNEU	LNEUR
# of Breaks	2	3	3	4	2	2	3	3	5
Breakpoints	2004M07, 2007M01	2004M05, 2006M07, 2009M01	2004M01, 2008M01, 2011M04	2003M12, 2005M12, 2007M11, 2011M01	2004M12, 2009M01	2004M11, 2006M10	2003M12, 2008M01, 2011M04	2003M12, 2007M06, 2011M01	2003M12, 2006M05, 2008M10, 2011M03, 2013M02

As testing for stationarity is a crucial part of time series analysis, testing for unit roots using the right method is very important in this process. Structural break unit root test proposed by Carrion-i-Silvestre, Kim and Perron (2009) was used for this purpose. The stationarity levels are given in **Error! Not a valid bookmark self-reference.**. The variables are stationary at different levels, thus their level values or first differences were used in time-varying causality analysis according to these results.

Table 2 Structural Break Unit Root Test Results

Variables	Integration Level	Variables	Integration Level
LNAUS	I(1)	LNITL	I(0)
LNBEL	I(0)	LNLUX	I(1)
LNDEN	I(1)	LNNED	I(0)
LNFIN	I(0)	LNPOR	I(0)
LNFR	I(0)	LNSPA	I(1)
LNGER	I(1)	LNSWE	I(1)
LNGRE	I(1)	LNEU	I(1)
LNING	I(1)	LNEUR	I(0)
LNIRE	I(0)		
* ( ) show breaks in level and slope of time trend			
*PT test statistic was used to determine stationarity levels.			

Table 6 Time-Varying Causality Periods

Exchange Rate → Tourism Demand

Country	Austria	Belgium	Denmark	Finland	France	Germany	Greece	England	Ireland	Italy	Luxembourg	Netherlands	Portugal	Spain	Switzerland	EU
	2009:01	2003:12-	2007:07-	2005:07	2005:10	2003:12-	2003:06-	2003:11-	2005:08	2003:11-	2004:07-	2010:08	2003:12	2003:12-	2004:04-	2003:12-
	2009:06-	2004:02	2007:11	2011:11-	2008:11-	2004:02	2004:07	2004:02	2006:05-	2004:01	2005:04	2011:03-	2005:06-	2004:05	2004:05	2004:02
	2010:01	2005:06		2012:10	2009:01	2005:06-	2009:05-	2004:04-	2006:06	2004:03-	2007:10-	2011:12	2005:08	2005:11-	2005:06-	2008:04
	2010:01	2009:06-			2009:03	2005:08	2010:02	2004:05	2008:03	2004:05	2008:03	2012:03	2008:06-	2005:12	2005:09	2008:06
	2011:06-	2009:08,			2011:02	2011:06-	2011:04	2008:04-	2010:02	2007:03-	2008:05-	2013:07	2008:12	2010:01-	2005:11	2011:09-
	2011:08	2011:04-			2011:04-	2011:10	2012:02-	2008:11	2010:06	2007:04	2009:02	2014:08-	2009:12-	2010:03	2007:07-	2011:10
	2014:06-	2011:06			2011:08	2014:04-	2012:09	2010:11-	2011:03	2008:07	2011:05	2014:12	2010:06	2010:06	2007:08	2012:01
	2014:08				2011:09-	2014:08	2012:11-	2011:01	2013:04	2008:10	2012:03-		2013:05	2011:03-	2010:02	2012:03-
					2011:11	2014:11	2013:05	2011:03	2013:11	2010:01-	2012:05			2011:08	2012:11	2012:05
					2012:03-		2014:09-	2011:05-		2010:02	2013:05			2012:06-	2013:01	2014:10-
					2012:05		2014:12	2011:08		2011:05-	2014:06-			2012:09	2014:05-	2014:11
					2014:09-					2011:10	2014:12			2014:08-	2014:12	
					2014:11					2012:02-				2014:12		
										2012:05						
										2013:08-						
										2014:11						

Tourism Demand → Exchange Rate

Country	Austria	Belgium	Denmark	Finland	France	Germany	Greece	England	Ireland	Italy	Luxembourg	Netherlands	Portugal	Spain	Switzerland	EU
	2005:04-	2003:10-	2005:06-	2005:05-	2003:10-	2003:10-	2004:08	2003:10-	2006:01	2003:05-	2005:10	2005:07-	2004:11-	2003:10-	2004:12-	2003:10-
	2006:02	2003:12	2005:10	2005:08	2004:02	2003:12	2005:06-	2003:12	2006:09-	2003:07	2006:03-	2005:09	2005:10	2004:02	2005:07	2003:12
	2007:08	2004:10-	2006:06-	2008:08	2005:05-	2004:12-	2005:10	2004:12-	2006:11	2003:10-	2006:04	2006:03-	2006:03-	2004:04	2005:09	2004:12-
	2008:02	2005:05	2007:09	2009:06	2006:01	2005:07	2006:03-	2005:07	2007:09-	2004:02	2008:03-	2006:09	2006:04	2005:05-	2008:03	2005:07
	2008:05-	2007:07		2009:11-	2006:03-	2006:04	2006:05	2005:09-	2007:11	2005:06-	2008:05	2008:03-	2006:09-	2005:08	2008:05-	2005:09-
	2008:07	2008:03-		2010:01	2006:06	2007:08	2007:07	2005:10	2008:02-	2006:01	2013:06-	2008:06	2006:11	2005:10	2008:07	2005:10
	2009:11	2008:09		2011:01-	2007:10	2008:03-	2007:09-	2006:02-	2008:03	2006:03-	2013:08	2009:03-	2007:04-	2006:12	2010:06	2006:04
	2010:05	2009:11		2011:04	2008:01-	2008:07	2007:12	2006:04	2008:05-	2006:04	2013:12	2009:06	2007:07	2007:04-	2011:01-	2008:03-
	2012:09	2011:05-		2011:05	2008:06	2009:03-	2010:04-	2007:11	2008:09	2007:07		2012:03	2008:08-	2007:07	2011:07	2008:07
		2011:07		2014:01-	2011:03	2009:08	2010:06	2008:02-	2011:03-	2008:03		2012:05-	2008:12	2011:02-	2013:01-	2009:04-
		2014:09-		2014:04	2013:02-	2013:08	2011:02-	2008:07	2011:05	2008:08		2012:06	2009:12	2011:03	2013:03	2009:06
		2014:12			2013:12		2011:03	2009:12	2012:05-	2008:10		2014:02-	2012:02-	2011:05-	2014:07-	
							2011:04-	2011:09-	2012:07	2008:12		2014:03	2012:09	2011:07	2014:10	
							2011:08	2011:10	2012:09-	2009:07-			2013:10-			
							2013:09-	2013:11	2012:10	2009:12			2013:12			
							2013:12		2014:07-	2011:06						
									2014:12	2014:03						

Figure 3 Time Varying Causality Graphs

* Straight lines indicate 5%, 10% and 20% significance of time-varying causality using LR test statistic.

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The initial aim of this paper is to determine the time-varying nature of the relationship between the tourist demand from different countries and the exchange rate. In addition, whether there are differences or similarities in these relationships is at concern. For these purposes, the causal relationship between international tourist arrivals and Euro exchange rate, we use rolling-window approach combined with time-varying bootstrap analysis. As seen in Table 6, all of the series show significant results for causality in different time periods.

Figure 3 shows the time varying causal relationship between tourism demand and exchange rate. The graphs can be interpreted as each EU-15 country and the total EU-15 tourism demand are effected by the exchange rates and vice versa in some cases. Total demand is likely to affect the exchange rates more frequent than the opposite. LNEUR (Euro exchange rate) causes LNEU (total demand) for 13 months, on the other hand LNEU causes LNEUR for 22 months in the sample period.

Overall results are as follows: Luxembourg has the longest (38 months) period of causality and Denmark has the shortest (5 months) when causality from exchange rates to tourism demand is considered. On the opposite side, causality from tourism demand to exchange rate is strong for Portugal with 38 months, and poor for Denmark and Luxembourg with 9 months.

4 summarizes the findings of time-varying bootstrap analysis for the five top and bottom tourist generating countries included in the analysis.

Table 7 Time-Varying Causality for Top and Bottom 5 Countries

Top 5 *Germany, UK, France, Greece & Netherlands*	Bottom 5 *Luxembourg, Portugal, Finland, Ireland & Denmark*
SIMILARITIES • *Exchange Rate to Tourism Demand* - Significant causality in 2011 for all countries - Longest period Greece (28 months) - UK 22 months, France 20 months, Netherlands and Germany 18 months • *Tourism Demand to Exchange Rate* - Similar causality periods for Germany, UK and France - Significant causality for all countries between 2006-2009 - Similar period length for causality - Longest period France (36 months)	**SIMILARITIES** • *Exchange Rate to Tourism Demand* - Causality period is shorter than 12 months for Ireland and Denmark - Denmark has the shortest causality period for both directions • *Tourism Demand to Exchange Rate* - None

- Greece 28 months, UK 27 months, Germany 25 months, Netherlands 23 months	
DIFFERENCES	**DIFFERENCES**
• *Exchange Rate to Tourism Demand* - Every country has significant causality for different periods • *Tourism Demand to Exchange Rate* - No evidence for causality in 2008 and 2009 only for Greece	• *Exchange Rate to Tourism Demand* - Denmark has causality only for the period 2007:07-2007:11 - Longest period Luxembourg (38 months) - Portugal 19 months, Finland 13 months, Ireland 9 months and Denmark 7 months • *Tourism Demand to Exchange Rate* - Different causality periods for each country - Causality for 2005:10 and 2006:06-2007:09 period is only valid for Denmark - Period length for causality is different for all countries - Longest period Portugal (38 months) - Ireland 25 months, Finland 17 months, Luxembourg and Denmark 9 months

As given in Table 7, the top five tourist generating countries show more similarities, where bottom five countries show more differences in the results. The top five countries also have similar length of causality; on the other hand, bottom five countries have different length and periods of causality. These results and their implications are discussed in the conclusion.

5 CONCLUSIONS

As traditional tourism demand modelling approaches have restrictions on demonstrating the changing behaviour of demand over time, this paper uses time-varying bootstrap analysis to overcome the constancy assumption of these approaches. This paper investigates the timewise change in the causal relationship between exchange rates and inbound tourism demand for Turkey. According to the demand theory, exchange rates act as a change in the price levels of tourism services in a destination country, therefore they affect the tourists' decision to choose among substitute destinations.

The findings of the study exhibits that exchange rates effect the tourism demand from each and every country from the EU-15 and also are affected by it in some cases, probably depending on the magnitude of demand. Europe is the largest inbound tourist market for Turkish tourism demand, generating 50% average of tourist arrivals. Therefore, analysing the tourist behaviour in relation with the exchange rates has important implications for the national economy, as well as the tourism industry. The top five tourist generating countries react similarly to the exchange rates. The tourists mostly prefer Turkey for holiday purposes, showing strong seasonality during summer months. As Turkey is considered an affordable country compared to its competitors like Spain, France and Greece, middle class generally prefers Turkey.

The empirical findings reflect these similarities and indicate that tourism demand either is affected by or affects exchange rates for similar periods and period lengths for these countries. For example, Germany, UK and France are the largest markets and they have an evident tendency to visit Turkey in summer, and the results show they Granger cause exchange rate during similar periods. In addition, the volume of tourists from these countries is so high that they can change the behaviour of microeconomic theory and influence the exchange rates. On the contrary, bottom five countries, e.g. Luxembourg and Portugal, tend to indicate different results for time-varying causality. The underlying reasons are probably the relative small volume of demand and different peak seasons for each county in this group. The causality periods are significantly short when compared to top five countries, and the direction of causality is evidently from exchange rates to tourism demand.

Tourism is an important source of income considering the exchange rate earnings, so the idea that tourists can affect the exchange rates by visiting a country is an important issue to be handled. Understanding the timewise behaviour of tourists depending on exchange rates may allow investors, managers and decision makers to implement better strategies and policies.

In our case, the possible reasons for larger markets, such as Germany or the UK, can be listed as limited or concentrated tourist markets and strong seasonality causing instability for the exchange rates. The reverse, where exchange rates affect tourism demand, has probable outcomes as losing customers to substitute destinations, decrease in the competitive power resulting in price and quality reduction, idle capacity and wasting resources. Therefore, to control either circumstance, the destination country has to implement policies to avoid seasonality and support diversification of tourism products. These strategies to reduce the effects of demand on exchange rates or vice versa could be listed as; supporting alternative tourism services in non-coastal areas, promoting different products, organizing publicity campaigns to relatively smaller markets.

The limitations of this paper is that only a typical tourism market, holiday travellers from Europe is considered and the method used does not show the sign of causality. Future research employing different methods could allow comparing different tourist markets to explain if the tourism demand increases or decreases the exchange rates, and vice versa.

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ABSTRACT

The rising demand for new destinations, for different cultures and realities, the search for authentic heritage, and the need for real and genuine experiences is setting the course for the development of tourism in the future. A tourism destination where a strong image is associated with the cultural heritage can display forms of culture interpretation and communicate symbolisms that activate the minds of tourists awakening them to the historical and cultural specificities of territories.

Coastal tourism in rural areas, as a diverse territory of peculiar features that combines sea culture and tradition with the simplicity and genuineness of the sparsely-populated territories can be strongly stimulated by a unique and transversal communication and interpretation culture, promoting a new image of the territory.

The aim of this study is to understand how cultural tourism can contribute to the leveraging of development opportunities for this territory (rural coastal) based on new forms of governance and spatial planning, and whether these can contribute effectively to its development and to, consequently, reduce the effects of seasonality.

The study that we intend to/will develop is based on the model of development of coastal tourism in rural areas proposed by Ramos (2014), which coupled with the knowledge and study of cultural heritage sites through questionnaires and interviews, can might respond to our question and serve as a valuable input to the knowledge and development of this type of tourism.

Cultural heritage, as a center for the representation and promotion of cultures, allows for a richer human experience and an inspiring source of knowledge and perpetuation of traditions. It constitutes, in our view, a strong contribution to the development of the rural coastal territories.

Key Words: Coastal tourism in rural areas, cultural tourism, destination management, information and communication technologies, territory, travel motivation.

INTRODUCTION

The sustainable development of locations that offer creative tourism alternatives, new programs, diversified and innovative supply that answer the needs of the tourist must be pillars of modern tourism. Innovation of the tourism supply can be key to the success of projects and initiatives, specially in regions where tourism is mainly sun and sea.

It's indispensable to create bridges between coastal and rural tourism, relieving tensions from areas of mass tourism, essentially in times of intense demand, and creating new programs which ally existing attractions in coastal and adjacent rural areas through combined programs that may, through innovation, extract more visitors throughout the year.

In this way, information and communication technologies can play an important role developing solutions related to new tourist necessities and promoting accessible tourism for all (people with disabilities, families, the elderly, etc.) (InvestInCotedAzur, 2014).

Assuming that new forms of governance are the foundations of destinations development strategies, it is understood that this alliance between the exploration of the coastal and rural territory and the existing cultural heritage may be a positive enabling factor of the development of these territories.

Characterization of the rural coastal territory

Coastal tourism in rural areas needs the comprehension of the decision-makers, to allow them to draw up innovative planning strategies, creating complementary networks between coastal and rural areas. Sustainability and strategic planning could be the guarantee for creation and enhancement of new development leverages, based on the sustenance of rural and cultural tourism zones.

From our point of view this concept could be guarantee for creating new and diversified forms of tourism and tourism promotion of a specific region leveraging the demographic enhancement and reducing the financial dependency on sun and sea products, characteristic of these regions.

It is necessary however, that these changes encourage the optimization of resources, improvement of infrastructures and synergies between parties allowing the development and promotion of coordinated and audacious joint plans. The creation of new supply, new products, reinventing existing coastal zones, endowing them with new infrastructures, concepts and tourists motivators all through the year should be

present in this complementarity between coastal and rural zones. The promotion of sustainability, customer satisfaction with defining products, wealth generating products, and products which stimulate return to the destination are essential factors for the development of a successful tourism strategy.

Using the model of coastal tourism in rural areas (Ramos, 2014) as a strategic concept in which encompassed territorial planning is based on new forms of governance, network politics and partnerships will enable the creation of synergies through the use of new marketing tools, technological tools and integrated an sustainable planning tools in accordance with strategic development projects from each of the covered rural area, proving essential to analyze the potential and existing dynamics in each of the territories.

Butler (1982) identifies the various phases in the life cycle theory of tourism areas and how to encompass them in coastal and rural destinations. According to this concept it is possible to ascertain in which distinctive stage of its life cycle the coastal destination is, usually somewhere between the development and consolidation stage, while the adjacent rural is still, generally, at a very incipient state of development.

These regions need to be capacitated to create economic environmental and social development synergies through innovation and adaptation to new markets.

This adaptation could promote the development of new local economies in rural areas, guaranteeing the preservation of existing resources. Promoting local development is a guarantee for preservation of traditional cultural heritage resources and a dynamizing factor for turning territories into centers of tourist attraction, answering to the demand for a varied market and new products based on experiences and participated activities.

Also acting as a reengineering agent for an existing destination, this approach translates the beneficial effects of tourism development for the resident populations, allowing development of new experiences, new products and participative experiences. Thusly, promoting local development takes a major role in the regional sustainable economic growth. The development model of coastal tourism in rural areas is based on " models as strategic management for tourism, which according to Costa et al. (2014) focus on "the effective and efficient management of resources associated with the necessity to assure means of economically, environmentally and socially sustainable growth and development and have originated models which, attempt to associate parts of rational systemic and product models with philosophy and a strategic view of the future". The model previously cited was initially conceived to emphasize that the planning and management of a destination should be put in place taking into consideration a careful evaluation of the internal and external conditions of a tourism destination (Mill & Morrison, 1985). Its innovation resides in the link between tourism in coastal and rural areas and how, together, they can generate new forms of development for coastal areas which need to be reinvented in terms of their management and to use new methodologies, enabling them to contribute to that reengineering. Their proximity to adjacent rural areas allows them to consequently make use of this reengineering as a form of sustainability for their locations, contributing to the development of new networks that can be the pillar for the development of regions.

For this it is necessary that destinations organize their supply based on the newly created products through partnerships between the private and public sectors, adapting the new forms of governance to the characteristics of the region.

Historical and cultural particularities of coastal and rural territories

The coastal population studied in this research is mostly of a rural nature, their houses are constructed with poor materials; however they are usually very elegantly built, elaborately designed and very attractive. Fishing is traditionally embedded in these peoples' traditions, be it for sport or as a means of livelihood, making it the basis for some of the main local gastronomic delicacies.

The existence of mills, for example is a characteristic of this rural coastal landscape, and is tied to the permanent supply of water circulating in streams that allows the population to transfer cereals for personal consumption.

We based this documental research on an article by Fazenda et al. (2007) and characterized the main elements that comprise the region as showing characteristics of rural and coastal areas alike. Within the natural elements which comprise this type of region we identified beaches, commonly rich in natural and environmental resources, forests and traditionally rural and subsistence cultures.

As cultural elements we were able to identity folklore, theatre, maritime museums, pilgrimages along with various and diversified concerts from town to town.

In sports, the identified elements are characterized by niche markets either in nautical sports, (surf, rite surf, rowing and others) or bird watching and plants as a tourism activity.

When it comes to historical and heritage elements we had no difficulty finding century old buildings with traditional and religious elements, many of which portraying traditional culture such as life at sea, influenced by the strong fishing industry in that area.

Also visible was a significant variety of gastronomic delicacies most of which tied to the sea but also to agriculture (influenced by the cultural and geographical proximity with rural life). In these locations the great variety of local delicacies sold in restaurants shows how even the most recent restaurant strives to maintain traditional recipes alive which have been passing from generation to generation.

Cultural heritages' contribution to the development of rural coastal territory.

Heritage is part of the memory and identity of a community. Prats (1997) defined heritage as social construct, conceived by someone for certain ends, which means it could be historically altered according to new criteria or interests. This symbolic nature and its capacity to symbolically represent an identity are the reasons why so many resources are mobilized to conserve it.

Alcantud (2003) states that the relationship between heritage and memory is fundamentally symbolic, seeing as our societies do not support destruction, the end of things and of individuals, searching numerous means of prolonging their social existence.

Cultural heritage bases its importance on being a bond between peoples, their history and their land. Incarnating the symbolic cultural identity of a destination is often key to understanding other cultures.

Often it contributes to the reestablishment of understandings between civilizations and cultures, and even contributed to maintaining and reestablishing the peace between peoples. The preservation process must be the foundation for the relationship held between heritage and the evolving context, on the way in which the local community is related and the meaning and historical context which the ethnographic object possesses. This process of recovering traces, uses and costs to reconstruct and (re)signify heritage, is supported on the direct observation and ascertainment on the existence of a whole significant group of transmitted legacy (such as crafts, professions, craftsmanship, music, dance and other ethnic and cultural elements), be it through manifestations of daily life, which express values and actions established in an inherit time and space of a community (Beni, 2001).

A tourism destination with a strong image associated to cultural heritage exhibits means of cultural interpretation and methods of communicating its identity with a meaningfulness to which tourists will not be indifferent . In light of the challenges set by globalization, cultural heritage appears as a sought after answer for tourism destinations, cultural witnesses and local community heritage promoting authentic appropriation (Lopes, 2014), drawing qualitative changes, answering mandatory worldwide integration models, allowing to associate heritage to cultural tourism.

One of the main challenges to tourism development and destination management are the heritage resource planning, as well as policies and politics' practices, because they directly contribute to territorial development specially supporting the decision making process and the creation of new public management policies for the development and appreciation of cultural heritage. New tendencies point towards a tourism industry more motivated to cultural consumption, experimentation and promoting emotions and feelings that lead to the "appreciation of authenticity" (Lopes, 2012). This said the tourism industry must contemplate this tendency and contribute to the development of a cultural contacts matrix to maximize the socioeconomic benefits tourism destinations assume in the implementation of public policies and governance procedures which comprise a line of local necessities and global demands, resulting in a greater awareness of tourism practices in terms of tourism planning, and organizational strategies, including sustainability concerns. This said, discussing the participation of local communities in the planning and development of a tourism destinations is of great interest because it will instigate new management models and the development of tourism in a given region and in this sense cultural heritage is increasingly important in face of the appropriating and agglutinating consumption of experiences and skills simultaneously authentic and global, of society which anguish towards falsity stimulates the search for authenticity (MacCannell, 1999), thusly contributing to the development of territories.

Methodology

The collection of data through questionnaire allowed us to relate to previously announced theoretical principles. In this research we used scientific techniques, resorting to quantitative methods and aiming to confirm results, measure them and proceed to the analysis of reliable content.

In order to answer the objective of this research paper, the inquired population was defined as "public who has participated in tourism activities in a area of a rural beach at least once" and the questionnaire was validated by 86 answers (considered valid), in a universe of 103 answers. The questions were divided in homogeneous groups attributed on a five point Likert scale, distributed between not important and very important.

In another group of questions the inquired were asked to select between various factors which could influence their choice of these territories. In order to analyze the results of the questionnaire we used the statistical Package for social sciences (SPSS) and EXCEL to test the presented hypotheses. The use of these auxiliary statistic tools allowed us to draw conclusions for "a broader dominion of where these elements came from" (Pestana et. al., 1998)

New means of governance and planning which boosted cultural tourism in a rural coastal zone.

By analyzing the replies to our questionnaires, and with this research, we were able to confirm that there are opportunities to develop a rural coastal territory based on new forms of governance and territorial planning allied to the study of cultural heritage of these regions. This survey was answered mainly by individuals aged between 31-45 years old (48%), with higher learning degrees (60%), employed (by the public and private sector 51%). 50% of the inquired considered cultural and historical locations (cultural and natural heritage) as an important or very important factor in the choice of a destination. 69% of these consider cultural tourism activities, of recreation or leisure as important. Nautical activities (47%) and night life activities (28%) were rated with low levels of importance or medium importance. Furthermore, 33%of the inquired considered the existence of ethnographies and museums related to the sea as a relatively important or important factor (26%); however on this question it was noted that 21% considered this factor of little importance in choosing rural coastal destinations when going on holidays. According to the inquired, the activities mostly looked for in a destination are traditions and cultural reenactments, together with animation, emphasizing both of them as important and very important. This analysis gives special focus to what the inquired consider important when visiting a coastal rural location. When given the choice, the enquired are prominent in affirming that what most influences their choice of destination is, in relative terms, the existence of traditional regional products (71,5%), the rural space by itself (52%) and the new touristic supply in rural areas (48,56%), rating these elements as very important or important.

Through this analysis it is important to understand how the significance given to the management of these spaces (public and private) could be an important contribution to the development of these coastal rural spaces. Indeed, it allowed us to determine whether a dedicated form of governance (giving special attention to this relationship) could generate a differentiating factor for those who visit these locations.

And we obtained from our answers that 35 % considered this important and 14% very important, translated as almost half of the enquired considered its importance in the top end of our scale. This leads us to believe that the implementation of new forms of governance for these territories is of great importance. Considering the attributed importance of cultural facts during a visit to a given coastal and rural region relatively to other facts and the introduction of new forms of governance as very important facts, we conclude that cultural tourism in a coastal region as a key leaver for new forms of governance and planning.

7. CONCLUSION

This research comes to answer our initial quest to understand how cultural tourism contributes to leverage the development of rural coastal territories, based on new forms of governance and spatial planning, which would enable the soften of strong seasonality and create new opportunities for the entire region. cultural tourism is relevant as a development factor of coastal tourism in rural areas and fundamental as a guarantee of attracting new opportunities and activities for these areas. it can also contribute to the its dynamic development in a sustainable way, reducing the high economic, social and environmental impacts and seasonality in coastal areas, if and when, well planned in terms of economic sustainability, social and environmental impacts, and by introducing new forms of governance and innovation, which include information and communication technologies. and finally, we conclude that coastal tourism in rural zones is a guarantor of tourism development of coastal areas and adjacent rural areas,while cultural heritage can be a strong inductor based on new forms of governance.

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THE ROLE OF INSURANCE IN POST DISASTER RECOVERY PLANNING IN EGYPTIAN TOURISM COMPANIES

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ABSTRACT

The whole world is facing a substantial amount of disasters which brings severe damages throughout the world. These disasters severely affect the tourism industry. Hence, recovering damages in tourism business becomes a major issue for the continuation and development of the business. In this context, insurance plays a vital role to restore the business while reducing the financial consequences of the disaster. The issue of availability of insurance in the tourism industry is addressed for the tourism companies across Egypt. It has been particularly problematic especially in the current circumstances where Egypt faces different attacks that threaten the tourism businesses. Therefore, the issue of availability of insurance in the tourism industry is addressed for the tourism companies across Egypt. It has been particularly problematic especially in the current circumstances where Egypt faces different attacks that threaten the tourism businesses. The main challenge appears to be in relation to securing commercial general liability coverage and/or obtaining such coverage on a cost effective basis.

Therefore, the objective of this study is to investigate the role of insurance as a provision to recover the disastrous destruction of the tourism business community in Egypt through exploring the travel agencies' attitudes and perceptions towards insurance, as well as exploring the behaviour of insurance companies towards tourism activities and providing recommendations to enhance the insurance penetration to the tourism business to provide a safer environment for investors. To achieve this, the survey method was employed and data were collected by using semi structured interviews. Experts from the tourism tour operators and travel agencies were interviewed to explore the role of insurance to support their business.

By analyzing data, it can be concluded that the main purposes of obtaining insurance are quick recovery of business and to fulfil the borrowing requirements. Some issues of the current practice are identified as less awareness, and dishonesty of the insured which leads to less identification of the insurance as a risk management strategy within the tourism companies. Recommendations are developed to increase the awareness, and encourage the government participation to increase the insurance penetration to the tourism industry.

Key Words: Insurance; Recovery planning; insurance legislation; types of travel insurance.

1 INTRODUCTION

Terrorism and political instability have a severe impact on tourism business activity. The increased frequency of severe terrorist attacks as well as the unsafe and unstable environment facing the Arab countries, and hence Egypt caused huge amounts of damage to the tourism industry in Egypt and presented a very challenging situation to maintain this business viable. Tourism business has suffered significant losses as a result, particularly due to the subsequent decrease in visitor numbers. Tourism in Egypt isn't experiencing the same demand it has previously enjoyed, as an example the economic crisis in 2008 had a negative effect on tourist arrivals to Egypt. The percentage change of tourist arrivals had decreased with -2.3% in 2009 (World Tourism Organization, 2011). Similarly, the 25th January revolution in 2011 caused an unprecedented and sustained drop in tourist arrivals in Egypt. The percentage change of tourist arrivals had decreased with -33.1% in 2011 (World Tourism Organization, 2012).

Since the disasters are non-routine events that require non-routine response, any business cannot rely on normal procedures to implement appropriate responses to dealing with disasters (Atmanand, 2003). Davies and Walters (1998) revealed that reduce revenues, customer loss, and reduce market shares may be the minimum effect of a small business interruption but major business interruption may threaten a company's survival. However, the intention is to reduce the possibility for damage, as well as to minimize the negative impact, and to prevent the risk.

Alexander (1992) highlighted that the plans must be developed and implemented to assure that all critical business functions continue successfully in the incidence of disasters. Moe, et al. (2007) explained that post Disaster Recovery Planning (DRP) process involves decisions and actions taken after a disaster to reinstate or improve the pre-disaster business situation while facilitating to obtain necessary adjustments to reduce disaster risk. Disaster recovery is essential for an organization to remain viable in the face of disasters because many companies go bankrupt or close after a disaster (Hardly, et al. 2009). Thus, Paradine (1995) argued that insurance protects organizations from the financial consequences of loss which avoids the potential business bankruptcy in the future.

Paradine (1995) indicated about two ways to handle the financial risk of disaster: either by deciding to bear the cost itself- that is, retain the risk or transfer the risk to the insurer. He further stated that, DRP and planning for insurance protection are linked because the obvious solution for organization finance needs during an interruption of business is to transfer the risk of loss through the insurance. Atmanand (2003) reported that insurance represents an important requirement for many economic activities. Simultaneously, Paradine (1995) specified that one of the major ways of financing the disaster risk is through an insurance cover by ensuring that funds are available after a disaster, to enable the business to continue. Furthermore, he argued that insurance on its own protects organizations from the financial consequences of losses; nevertheless it does nothing to prevent it. In addition, Paradine (1995) indicates insurance has a major role in determining how to well survive in the interruption of normal business.

It is obvious it is important for all business owners to make sure that they have adequate insurance coverage in all aspects of their business particularly tourism businesses, as they face challenging market

conditions and specialized risks. Accordingly, insurance has relevant importance in the progress of the business of tourism in particular.

Nowadays, the need for insurance is greater, especially voluntary insurance which is necessary to cover the risks which are not included in the insurance policies imposed by the regulative laws. It is critical when there is a major downturn to investigate whether businesses are underinsured or not insured at all. Hence, an important question arises, do the travel agencies in Egypt have a level of insurance coverage, and how does insurance assist in travel functions practically if it exists. Thus, this paper intends to identify the role of insurance in post disaster recovery planning in the tourism business community in Egypt through exploring the travel agencies' attitudes and perceptions towards insurance, as well as exploring the behaviour of insurance companies towards tourism activities, and providing recommendations to enhance the insurance penetration to the tourism business to provide a safer environment for investors. The structure of this paper contains risk management in tourism, and then insurance in post disaster recovery planning in tourism business community. Research methodology and the findings of the research will then be addressed. Finally, the conclusion will be presented.

2 RISK MANAGEMENT IN TOURISM

Risk management is a rational approach for dealing with the risk. Risk management includes determination of the level of exposure that is acceptable to the tourism business and its clients, identification of the hazards to the business and its clients, evaluation of the hazards, selection of appropriate strategies, implementation of these strategies and appropriate response to emergency situations (Taleski & Tashkov, 2011; Kaushalya et al., 2014).

Risk is defined as the occurrence possibility of a certain situation that might influence goals' fulfilment. All risks have potential to go out of control and create crisis, but risks will not escalate if they are treated systematically (Taleski & Tashkov, 2011). While Eden & Matthews (1997) defined disaster as any incident which threatens and damages human, buildings, equipments and systems. Chow & Ha (2009) stated that disaster can be identified as any event that can cause a significant disruption in information services capabilities for a period of time and affect the operation of the organization.

According to Popesku (2011) as cited in (Taleski & Tashkov, 2011), risks in tourism may be divided in four main groups: Human and institutional environment (ex. Terrorism , violence, ..), Tourism and complementary businesses (ex. Transportation accidents, lack of protection against earthquakes etc.), Passengers as individuals (ex. Visiting dangerous places, loss of personnel belongings, etc.), Physical risks and risks from the environment (ex. tourists who: not aware with the natural characteristics of the destination, do not take appropriate medical measures, etc.).

Common ways of dealing with risk include four available options such as acceptance of risk, risk reduction, risk transfer and avoidance of risk. Acceptance of risk is in cases where the frequency and size of risk is small and only if its consequences can be managed without any negative impact on the destination or the perception of visitors (Taleski & Tashkov, 2011). Risk reduction could be managed by

modifying the probability of risks or reducing its effects (for example, reducing the consequences of fire in the hotel with evacuation plans, training employees, etc.) and/or increase the adaptability (for example, capacity for submission of losses). Risk transfer is used when there are significant consequences (such as consumer injury, damage to property), and the risk is transferred in whole or in part, on the other (such as insurance companies). Avoidance of risk will occur if the frequency and size of a large risk is to an extent that an operation is suspended or withdrawn from the market (Taleski, & Tashkov, 2011). Thus, the purpose of disaster recovery plan is to minimize financial losses, maintain the continuity of operation, ensure the integrity of data and restore normal operation in a timely and cost effective manner (Chow, 2000; Chow & Ha, 2009). Chow & Ha, (2009) further explained effective management and control of disaster risk will provide long-term cost reduction, minimize disruption in the event of a loss and enable the business to operate more effectively.

Good insurance brokers and consultants can provide valuable assistance on risk management and insurance matters.

3 INSURANCE IN POST DISASTER RECOVERY PLANNING IN TOURISM BUSINESS

Insurance is an essential aspect to manage the residual risk which cannot be eliminated further (Suncorp Group, 2007). There are different types of insurance for different types of risks (Fabozzi et al., 2009). The primary function of an insurance company is to compensate policyholders if a prespecified adverse event occurs in exchange for premiums paid by the policyholder (Saunders & Cornett, 2007).

Insurance is an integral part of the risk management process. In deciding which policies and what level of insurance to take out, a business needs to develop an insurance plan which includes determining which assets and hazards to the business will be insured. The insurance plan will also determine how much of the assets and the hazards will be covered through an insurance policy and how much will be self-insured (covered by the business itself), as well as the conditions required. This subsequently requires deciding on the critical areas to cover to remain competitive with other tourism businesses. As well as deciding on how much the business can afford to pay for insurance without impacting on profit target (Krasniqi, 2010; Taleski & Tashkov, 2011; and Kaushalya, et al. 2014). It is important to note that insurance will not make activities safer and will neither reduce the possibility of, nor stop incidents from happening (Taleski & Tashkov, 2011).

The decisions regarding the purchase of insurance should be based on some internal factors such as tolerance for risk which includes how much risk is in the business and the business owners willing and capable to bear. Another critical decision is how much insurance to purchase. The second factor is business longevity and business structure and if the business structured in a way that protects the owners and the assets. The third factor is the assets that have to be protected and if there are assets that will be costly or difficult to replace. The final factor is employees, shareholders/owners/partners (Taleski & Tashkov, 2011).

The decision of purchasing insurance in the tourism industry is also based on some external factors such as the legal and regulatory requirements, such as industry and business requirements (business that impose insurance requirements for example, the bank, tour operator or similar). Some types of insurance cover are required by law, but others are voluntary. For example in Egypt , The required documents for establishing a tourism company according to the implementing regulations provisions for the law number 125 for 2008 includes the receipt of paying the insurance (insurance guarantee) to the ministry of tourism according to its category (A, B, or C) (Ministry of Tourism, 2015). The overall factors affecting insurance purchase decision is shown in figure 1.
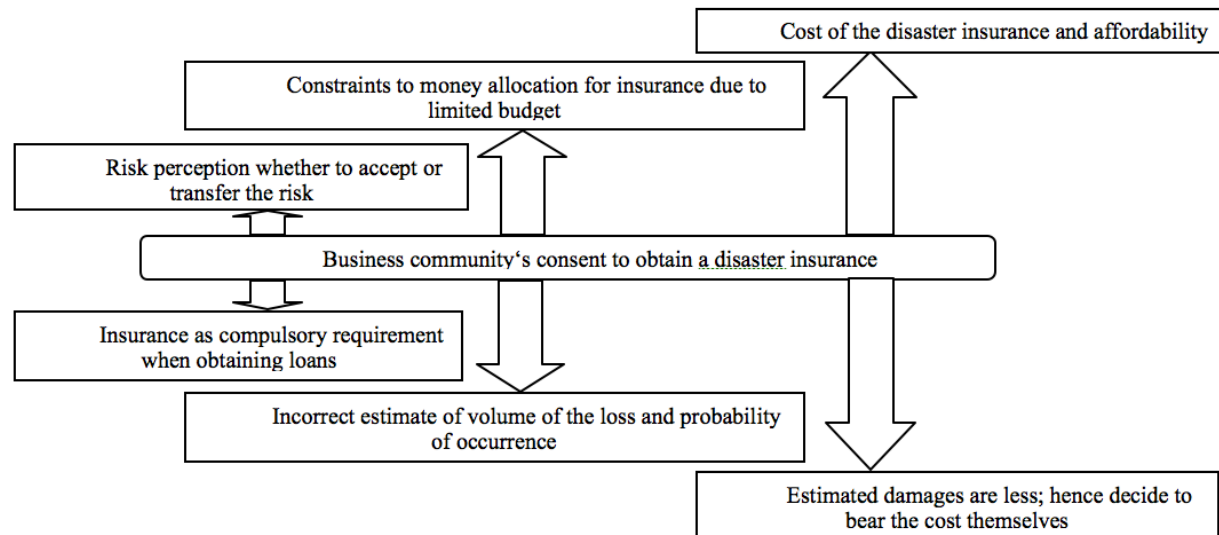
Figure 1: Factors affecting obtaining disaster insurance

Source: Kaushalyaa, et al. (2014), p. 631

4 RESEARCH METHODOLOGY

As mentioned before the aim of this study is to identify the role of insurance in post disaster recovery planning in tourism business community in Egypt through exploring the travel agencies' attitudes and perceptions (insured) towards insurance, as well as exploring the behaviour of insurance companies (insurer) towards tourism activities.

A qualitative methodology is considered most appropriate to describe and explore the complex issues associated with this subject, as well as the descriptive analytical approach. Survey method proved to be the most appropriate, as it enables the researcher to obtain information about practices, situations or views at one point in time through interviews (Easterby-Smith et al., 2008; Saunders et al., 2009). The use of Semi-structured interviews was used with a number of pre-determined questions. This allowed some comparisons between the responses of the participants and also afforded the opportunity to digress further, when appropriate.

Fifteen key-persons (managers or owners) of tourism companies in Egypt were interviewed to identify their attitudes and perceptions towards insurance, as well as the reasons behind the less identification of insurance in post disaster recovery planning in tourism companies in Egypt. Moreover, desk survey was conducted to explore and analyze the behaviour of the insurance companies in Egypt towards tourism activities. Sampling size for the purposive sampling method is determined on the basis of theoretical saturation, sample size for the pilot interview was limited into four experts in insurance companies and tourism companies, and the sample size of the detail survey was limited to fifteen individuals of small and medium scale tourism tour operators and travel agencies as it was saturated at that point.

Accordingly, interviews were conducted during February and March 2015. The collected data was analyzed by using Thematic coding (Saunders et al., 2009). Interviews were divided into different sections include types of insurance; the existence of insurance on tourism investment; types of support; the factors affecting the decision of purchasing insurance; the factors affecting the insurance coverage; manner to deal with these risks and the insurance companies' role. Furthermore, it includes existence of an insurance plan.

5 RESEARCH FINDINGS

Findings of the study are discussed under both tourism companies' perception and attitudes towards insurance, as well as insurance companies' behaviour towards tourism business.

Travel agencies agreed that insurance is compulsory in the form of conditions to establish travel agencies (an insurance guarantee letter to the ministry of tourism), social insurance for the employees, tourism transportation insurance, insurance for the outbound religious tourists travelling to Saudi Arabia. Respondents agreed that the insurance coverage includes travellers not the company itself which means that insurance does not support the business itself. Tourism companies agreed that there is no tourism investment insurance and no post disaster insurance from insurance companies. Nevertheless, it was noticed that they were not aware that this type of insurance could exist. Even though, they confirmed that they wish such insurance exists. In different countries this form of insurance exists like Sri Lanka where Kaushalya et al. (2014) mentioned that there is post disaster insurance especially for natural disaster such as droughts, flood, landslides, and storm.

As regards to types of support, most of the respondents agreed that there is support from insurance companies in some cases for example tourists' luggage loss. However, the indemnification conditions are very strict and difficult; medical insurance; tourism transportation insurance; as well as travel insurance for travelers (tourists).

By analyzing insurance policies offered by insurance companies in Egypt, it was noted that they offer traditional insurance such as fire and burglary insurance, transportation insurance, medical insurance, and against several accidents. However, Misr Insurance company offers insurance for dishonesty, and composition that has been paid (Misr Insurance Company, 2015). Furthermore, Suez Canal insurance

company offers decimal insurance in which the insurance company covers the responsibility built on the damage caused to others, civil responsibility, riots, employee unrest, civil unrest risks, as well as natural disasters. Moreover, this company offers insurance for hotels as well as insurance for real state funding (Suez Canal insurance company, 2015). In addition, the Mohandes insurance company offers insurance for dishonesty, general insurance for hotels and resorts, as well as civil responsibility (The Mohandes insurance company, 2015). Allianz Egypt as an international company also offers a comprehensive business protection plan to secure the business against accidental damage or destruction (Allianz Egypt, 2015). It was noted that these particular forms of insurance are offered to all businesses and are not addressed particularly to the tourism businesses. From the previous discussion, it can be noted that there a lack of awareness of tourism companies. And this is subsequently a cause of the failure of insurance companies to market and sell these forms of insurance. However, it is also noted that no insurance will be offered in the areas which have a higher frequency of disaster risk such as investment insurance particularly in the tourism industry. In case they do, it is accepted only under the higher premium payment or higher amount of deductibles. The reason behind this is that the insurance companies are profit oriented companies and always looking forward to earn profit. Indemnifying the insurer in every frequent disaster situation may not be either reliable or profitable for the company.

Respondents also agreed that there is support from the government in some cases. As an example the Egyptian travel agents association decreases its dues during crisis and the insurance fees for the outbound religious tourists to KSA, as well as the association colleagues' box. Respondents also confirmed that there is no support from tourism associations. This opinion contradicts one of the roles of the Arabic tourism organization which offers insurance for foreign investment against risks with the cooperation with the Islamic association for insurance guarantee. The covered risks include political risks, nationalization and confiscation, wars and civil unrest, restriction on foreign exchange conversion, contracts disruption, and the failure to meet the government financial obligations. They also identify the proportion of indemnification to be 90%, which represents a satisfactory coverage (Arab Tourism Association, 2015).

In relation to factors affecting insurance purchase decision, respondents indicated different factors such as types of services, manager or owner experience and companies' assets. No one stated self capability to bear losses, length of company in the market place and existence of partners. Concerning factors affecting the coverage amount differ according to respondents. Some mentioned types of services; size of the business; company property; manager experience; insurance companies' conditions, and the amount of the company assets. Its proportion from the total company capital is unidentified as it depends on the agreement with the insurance company.

As to external factors such as legislative requirements or the tourism business requirements, the majority of the respondents agreed that there are no legislative requirements affecting the insurance purchase decision. Some embassies require travel insurance as a condition for getting the visa.

With respect to types of risks confronting tourism companies, some identified theft, tourists' assaults, kidnapping, etc. They also determined the size of loss to be large. Concerning tools to overcome these risks, respondents identified following the instructions of the tourism policy as well as these of travel insurance. However, insurance companies' role is very limited, the compensation is good but with severe

conditions that cannot be easily achieved. Other respondents labelled transportation accidents, fire, deficiencies in the health aspects and labor strikes, such as tourism transportation accidents. Concerning tools to overcome these risks, they determined the use of limit speed devises, as well as to train drivers. Insurance companies' role is summarized in helping to repair damages in the tourism buses.

All the respondents identified economic risks such as increasing competition, and sudden change in exchange rates causing very huge losses for example losses were huge in 2013 because of the instability in the exchange rates. They identified that it was very difficult to overcome these losses and risks; one respondent suggested that minimizing the duration of the trip may decrease losses. Insurance companies do not have any role in these types of risks. The role was from the tourism government through the Egyptian travel agents association.

In relation to how to deal with risks, some respondents determined accepting risks. They also identified that they try to learn from previous problems to minimize the negative impacts. Most of the respondents deal with risks through minimizing risks. They mentioned that they try to train drivers through the Egyptian travel agents association, use limit speed devices, and learn from previous mistakes. They stressed on the importance on the training employees as a tool to minimize risks.

Some of the tourism companies considered transferring risks in the case of buses and cars accidents, as well as tourist injury. In such cases international insurance companies' coverage reaches 30 thousands Euro. The coverage and support from insurance companies is very large. Some international companies such as Euler Hermes offers trade insurance which protects the business from both commercial and political risks. It helps to grow profitability and minimizing risks and improve access to funding (Euler Hermes, 2015).

Concerning the existence of an Insurance plan, most of the respondents identified that they do not have an insurance plan. Although they practice some of its steps, as some of them identified the assets to be insured. They also determined the common risks they often insure to prevent against, for example travel insurance against theft, as well as transportation insurance against accidents, buses and cars accidents. They also agreed on the insurance size that will be covered by insurance companies. But the majority is not interested to identify the coverage amount (indemnification) the tourism company can bear it itself. The majority also didn't identify insurance premiums that they can afford without affecting profits' targets.

The problem is to determine the cause which hinders tourism company's consent for obtaining disaster insurance plan. The answer includes cost of the disaster insurance and affordability, Constraints of money allocation for insurance due to limited budget, Risk perception whether to accept the risk or transfer the risk, as well as lack of awareness of the insurance role in the post disaster recovery.

Moreover, most of the time the insured are underestimating their property value with the idea of reducing the premium amount. In such situation, the insurer pays a percentage value of the damage as according to the sum insured of the property. Furthermore, if an insured is going to under insure the property where the sum insured is less than the actual value of property, he cannot be indemnified totally.

The most crucial aspect of disaster response is to learn the lessons of previous disasters and implement improvements over time. Such business can reinstate their business with the help of insurance. Businesses are interrupted in disaster situation. Nevertheless, there are some situations where the insured cannot recover a large portion of damage in disaster situation due to facing of great financial consequences. Unsatisfactory insured are creating because of not having a proper knowledge on the insurance policy. Thus findings revealed that attention should be done to enhance the disaster insurance penetration to the tourism business community.

6 CONCLUSIONS AND RECOMMENDATIONS

Although, insurance is considered one of the vital factors to the success of the disaster recovery planning process, tourism companies do not have a proper knowledge on the insurance policy, as well as its different forms. Even though, they wish they can have an appropriate insurance coverage to mitigate their risks. Nevertheless, they do not make any efforts to communicate with insurance companies to inform them with their needs and requirements as well as the specific characteristics of the tourism business to reach a satisfied agreement. On the other hand, insurance companies fail to market and buy the forms of insurance which cover investment and financial losses.

Egyptian Tourism companies aim to reduce the impact of a disaster, but still they do not follow an insurance plan which results in losses in the case of disaster incidence. On the other hand, insurance is an economic device that uses to avoid the collapsing of economic development of the country hence it spreads the risk within the society as a whole. However, it is not suitable to take decision to transfer every risk that would be resulted with losses and transferring the risk for insurance is most suitable only where the severity of risk is high and frequency of risk happening is low.

Moreover, some issues of the current practice are also identified as less awareness of the tourism companies which leads to less identification of the insurance as a risk management strategy. Based on the research findings, increase the awareness of insurance is a very crucial issue to save the tourism business after disasters to reduce loss that could be suffered. Tourism companies have to treat the insurance as more important aspect of making large competitiveness. Mostly the insurance in tourism industry is on voluntary bases. Usually, if something is based on voluntary concept, mostly the companies treat the insurance as an additional cost.

Tourism companies must deal with in the increase exposure to risk by increasing the need for capital to allow for the additional volatility, or alternatively well-designed reinsurance programmes or the equivalent, as well as increasing travel insurance premiums to pay for the additional risk and cost of capital. Moreover, they must seek to change the policy wordings to allow for changes in risk.

The problem is to determine the causes which hinder tourism company's consent for obtaining disaster insurance plan. The answer includes cost of the disaster insurance and affordability, constraints of money allocation for insurance due to limited budget, risk perception whether to accept the risk or transfer the risk, as well as lack of awareness of the insurance role in the post disaster recovery.

Finally, several steps should be tracked to enhance the disaster insurance penetration to the business community are: Strong relationship between Tourism companies (insured) and insurance companies (insurer), Awareness programs, Public Educating, Government Involvement, Encouragement for risk assessment, Risk based premiums at affordable rates, Special attention for tourism business community because it is a high risk area and increase the effectiveness of the insurer.

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AN ASSESSMENT OF THE RELATIONSHIP BETWEEN MANAGERIAL COMPETENCIES AND EXEMPLARY LEADERSHIP PRACTICES: CASE OF THE LODGING INDUSTRY IN LEBANON

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ABSTRACT

Facing the rising demand for improved quality, reduced costs, and constant innovation necessitates to continuously up-grade knowledge, skills, and abilities as essential for all leadership roles including those held by top management. With management scholars racing to meet the aforementioned demand, "Competency Modeling" has become one of the most frequently used techniques to help organizations profile jobs, select, as well as prepare the right person for the right leadership position. Moreover, scholars introduced the "Exemplary Leadership" model which aims at helping managers lead their organizations more effectively where there is a belief that the "great person" theory is not accurate since anyone can aspire to become an exemplary leader by following the five practices characterizing the former model.

In general, the lodging industry has plenty to benefit from adopting competency models in identifying competencies necessary for current and aspiring leaders of lodging establishments and to stay competitive it must identify the competencies required for leadership not only for the present but also for the future.

The aim of this explanatory research is to examine the relationship among Managerial Competencies, and Exemplary Leadership practices of managers in the Lebanese lodging industry. The design was a non-experimental, quantitative, explanatory, correlational design, and has been conducted through an onsite survey to collect data. The survey used a modified version adopted with permission from of Koenigsfeld's Managerial Competency, and the Kouzes and Posner's LPI surveys. The target population consisted of 254 conveniently selected general and department managers of hotels in Lebanon. The methods of data analysis included descriptive statistics, Pearson product moment correlation, factor analysis, and hierarchical (forward) regression analyses that tested the research questions. Also, scales were examined for reliability and validity.

Findings indicated that there exists a relationship among the Managerial Competencies (Conceptual/Creative, Leadership, and Interpersonal); and Exemplary Leadership practices of managers in the Lebanese lodging industry. Outcomes of the research help explore other industries in the country where different business environments exist as well as replication in other countries to further extend the body of knowledge of Leadership practices globally.

Key Words: Competencies, Exemplary, Leadership, Lebanon

1 INTRODUCTION

In facing the rising demand for improved quality, reduced costs, and constant innovation, the need to continuously upgrade knowledge, skills, and abilities is essential for all leadership roles including those held by executives, managers, and supervisors (Kay & Russette, 2000; Mirabile, 1997; Okeiyi, Finley, & Postel, 1994; Tas, LaBreque, & Clayton, 1996). With management scholars racing to meet this demand, *competency modeling* has become one of the most frequently used techniques to help organizations profile jobs, select, as well as prepare the right person for the right leadership position (Katz, 1955; Sandwith, 1993).

Under the auspices of transformational leadership, Kouzes and Posner (1995) introduced the *Exemplary Leadership* model which aims at helping managers lead their organizations more effectively. The authors believe that the "great person" theory is not accurate since anyone can aspire to become an exemplary leader by following the five practices in their model (Goldsmith, 2007).

The purpose of this explanatory (correlational) study was to examine the relationship among the *Managerial Competencies* and *Exemplary Leadership* practices of managers in the Lebanese lodging industry. The design was a quantitative, explanatory, correlational design, and has been conducted through an onsite survey to collect data. The target population consisted of 252 general managers and department managers of hotels in Lebanon with a sample design that was considered a convenience sampling plan. The methods of data analysis included descriptive statistics, Pearson product moment correlation, factor analysis, and hierarchical (forward) regression analyses that tested the research questions. Finally, all scales were examined for reliability and validity.

2 Literature Review

2.1 Leadership

The *New York Times* has rated Beirut as the number one destination to visit among forty-four most compelling destinations around the world (Sherwood & Williams, 2009). Lebanon has been in-and-out of the travel and tourism spotlight since its existence. Internal and external civil unrest and wars have affected the country on all frontiers: socially, financially, and politically. However, relative stability in the last two decades is finally starting to pay off especially in the travel and tourism sector which constitutes a major part of the country's economy (Lebanon, 2010).

Leadership is defined as "the ability to inspire confidence and support among the people who are needed to achieve organizational goals" (Dubrin, 2007, p.2). It is understood by many to imply "collective action, orchestrated in such a way as to bring about significant change while raising the competencies and motivation of all those involved-that is, action where more than one individual influences the process" (Bornstein & Smith, 1996, p. 282). In this study, the focus was on one specific type of leadership, *Exemplary Leadership* as theorized by Kouzes and Posner (1995).

For the past three decades, the most dominant leadership theory is concerned with differentiating between two leadership styles: *transactional* and *transformational* (Tourangeau & McGilton, 2004). Simply stated, transactional leadership is based on the concept of an exchange between leaders and followers while transformational leadership goes beyond such an exchange to a level where the leader uses personal traits and relationships to influence followers (Nahavandi, 2009). Based on such interaction, a transformation of attitudes, values, and behaviors occurs which facilitates major organizational change as well as increases organizational performance (Burns, 1978). Consequently, organizations that are anticipating or embarking on major organizational changes would greatly benefit from implementing transformational leadership practices. To achieve this, organizations are realizing that leadership is needed at all levels of the organization and not necessarily exclusively found among people in high levels of the organization. Although such a statement can be promising for aspiring leaders, this is easier said than done since developing leadership skills is a much more complex process than developing a structured skill (Dubrin, 2007).

Furthermore, scholarly research asserts the need to constantly develop leadership theories in order to maintain not only competitiveness but also sustainability. *Exemplary Leadership* as a form of transformational leadership is among the latest leadership theories that is achieving promising results (Kouzes & Posner, 1995). Proclaiming that leadership is not a reserve for a few lucky men and women, Kouzes and Posner (1995) identified five *Exemplary Leadership* practices that enable leaders to get extraordinary things done. Consequently, studying the relationship between *Managerial Competencies* and *Exemplary Leadership* is a new area of study associated with leadership effectiveness.

2.2 Exemplary Leadership

Exemplary Leadership is a theoretical framework developed by Kouzes and Posner that has its roots in transformational leadership (1995). Based on their research, Kouzes and Posner (1995) identified human relations skills as the means through which leaders promote success within the organization. After studying thousands of best leadership experiences, where leaders performed at their best, the authors identified five *Exemplary Leadership* practices common to successful and effective leadership that can be adopted by anyone who accepts the leadership challenge. These are: "*model the way, inspire a shared vision, challenge the process, enable others to act,* and *encourage the heart*" (Kouzes and Posner, 1995). Each practice includes two commitments that were identified as leading to exemplary practice.

Kouzes and Posner measured *Exemplary Leadership* using the Leadership Practice Inventory (LPI). The LPI is made up of thirty questions from which every six assess one practice. These questions describe various leadership actions and behaviors reflected in the five practices mentioned earlier. There are two versions of the LPI-self and observer. The self-assessment is completed by the individual leader while the observer assessment is completed by a peer, superior, or subordinate of the leader (Kouzes and Posner, 1995). In a meta-analysis of 18 different leadership competencies, the LPI received top scores both in psychometric soundness and in ease of use (Huber et al., 2000).

2.3 Managerial Competencies

Understanding and studying managerial skills or competencies is a relatively new area of study that has started with the research of scholars such as Katz (1955) and McClelland (1973). Over the past twenty years, the question of what competencies managers need to be effective in their jobs has changed considerably from an emphasis on technical abilities in the 1970s and early 1980s to a more personnel-management abilities focus in the late 1980s until the present time (Katz, 1955; Sandwith, 1993; Tas et al., 1996).

A competency model is defined as the "output from analyses that differentiates high performers from average and low performers" (Mirabile, 1997, p. 75). Leadership competency models based on performance rather than traits have been the focus of many researchers in the second part of the last century (Chung-Herrera, Enz & Lankau, 2003; Katz, 1955; McClelland, 1973; Sandwith, 1993). This focus was due to the fact that performance is easier to identify and measure and is less likely to be misinterpreted. The motive was to present a more useful approach that aims at understanding what good executives *do* (i.e., skills exhibited in carrying out jobs effectively) instead of what good executives *are* (i.e., innate traits and characteristics) (Katz, 1955, p.33).

Katz's approach is based on firsthand observation of executives at work coupled with field research in administration and suggested that there are three basic developable skills which necessitate the need for identifying specific traits that can also provide a useful way evaluating the administrative process. These are: (1) *Technical*, (2) *Human*, and (3) *Conceptual* (Katz, 1955, p. 34). In comparing and contrasting the above skills, the relative importance of the *Technical* skill lies at the lower levels of the organization. As the administrator moves further from the actual physical operation, the need for *Technical* skill diminishes to the point it might become nonexistent due to the existence of the *Technical* skills of others who took the administrator's position. At this level, the administrator might still be able to perform effectively if the other two skills, *Human* and *Conceptual,* are adequately developed. Katz did not provide measurements for his constructs; therefore, reliability and validity were not discussed

Since the publication of Katz's (1955) study, many other researchers have used this typology of research. The most notable is the work of Sandwith (1993).   Sandwith (1993) developed a model of competency *Domain*s that guides large organizations in their management training and development programs. Sandwith's (1993) model had its origin in the three skills approach that was initially addressed by Katz (1955) in his work *Skills of an Effective Administrator*. In the following years, other renowned researchers such as Mintzberg discussed this model and its application by a number of organizations (Sandwith, 1993).   These researchers found that there exists a broader range of activities used by managers than was previously conceived. As a result, the *Human* skill factor of the original concept was becoming too general.

To solve this problem, Sandwith (1993) updated this category and divided it into three separate *Domain*s which he labeled: *Leadership, Interpersonal,* and *Administrative*. Consequently, Katz's (1955) original three category model was expanded to include five areas of *Managerial Competencies* or *Domain*s (noting that a manager's work is rarely confined to one Domain). These included (p.46):

Conceptual/Creative Domain: this refers to the cognitive skills associated with comprehending important elements of the job. It should be noted that the creative term was added to encompass recent understanding of functions related to brain and creative thought.

The Leadership Domain: this domain provides a strategic link between the *Conceptual/Creative Domain* and all other domains.

The Interpersonal Domain: this domain focuses on the skills for effective interaction with others.

The Administrative Domain: this domain addresses the activities that lie between the *Interpersonal Domain* and the *Technical Domain*. It refers to the personnel management and financial management aspects and does not mean paper work and processes that are found in most aspects of the organization.

The Technical Domain: this refers to the actual work the organization does such as production standards; work processes; monitoring, reporting and evaluating processes; and the knowledge and skills required to implement them.

Sandwith (1993) claimed that a competency model based on these five *Domain*s can be very useful for organizations because: (1) the model can develop a competency profile for a particular job to identify the knowledge and skills requirements, (2) the competency requirements of an individual can be matched to that for a particular job, (3) appropriate learning tools can be identified to accommodate competency needs in one or more *Domain*s, and (4) the model can provide a complete set of managerial competency profiles which can aid in creating a comprehensive framework for training and development efforts of organizations (p.45).

The Managerial Competencies Model is socially significant addressing essential issues about hiring, training, and promoting techniques in the discipline of management in general and sociology and psychology in particular; and is useful in describing and predicting managerial effectiveness among those aspiring leadership positions. Later, various researchers such as Kay and Russette (2000) and Tas et al. (1996) conducted studies that verified the propositions, or five areas of *Managerial Competencies*, providing empirical validity to this model. The major proposition with conflicting results is related to the ranking of *Technical* over *Interpersonal* competencies which necessitates the need for further empirical evaluation in this area (Kay & Russette, 2000) while the most useful proposition is the dominance of leadership competencies in those same studies. The model has been adapted to different situations and populations with over seventy studies referencing its use in recent management history.

The idea of testing for competence in the hospitality industry is credited to Richard Tas (1988) who conducted what is considered the pioneering study that aimed at identifying important competencies for hotel general manager trainees. Tas (1988) introduced a conceptual framework that identified three categories: Essential Competencies, Considerably Important Competencies, and Moderately Important Competencies. Tas suggested that the most important competencies were focused on human relations skills.

Tas's (1988) conceptual framework has been used by many scholars in the field such as Baum (1990) and Okeiyi et al. (1994); and had been adapted by Tas et al. (1996) to include another competency model by Sandwith (1993). Several empirical studies such as that by Kay and Russette (2000) led to a special focus on Essential Competencies (EC) and their significance in selection and recruitment of managers as well as in the preparation of hospitality programs curricula.

Examples of major studies that followed Tas's suit are those belonging to Okeiyi et al. (1994) that focused on competencies in F&B management; Tas et al. (1996) that focused on competencies related to property management; Kay and Russette (2000) that focused on competencies related to general hospitality management; and Chung-Herrera et al. (2003) that presented a model focused on leadership competencies needed for future hospitality managers.

Managerial Competencies in the lodging industry were measured using the club manager competency survey developed by Koenigsfeld (2007). The original survey consisted of three sections: club and manager demographics, *Managerial Competencies*, and ability and success measure with a total of 356 questions. Of those, the second section consisted of 151 *Managerial Competencies* that were placed into five *Domain*s according to Sandwith's (1993) *Competency Domain Model*.

For the purposes of this paper, the *Managerial Competencies* developed by Koenigsfeld (2007) were adapted to reflect those of the lodging industry instead of the club industry. The same five-point Likert scale was used to measure the *Managerial Competencies* of managers in the Lebanese lodging industry. Worth mentioning that the competency model developed by Koenigsfeld (2007) was used with permission for adaptation to fit the purpose of the study. Moreover, lodging managers, in this study, are defined as those who are 18 years of age or older, speak and write English fluently, are currently employed at a hotel in Lebanon, and who are holding the title of at least a department manager in the hotel.

2.4 Research Justification

Today, most large international companies including hospitality companies, are spread over the world with leadership teams managing the global operations; such teams and their leaders have a critical task ahead of them due to "highly diverse cultural bases, little face-to-face contact, and infrequent full-scale team meetings. Their leaders are projected to them electronically or via videoconference. They must constantly deal with the issue of weak commitment, divergent values and ambiguous power bases" (Miller, 2001, p. 26-27). Evidently, disasters happen and whether they are natural or manmade, successful organizations are realizing the importance of leadership and its valuable role in steering the operation to safe harbor with the least possible damage.

Effective leadership and *Managerial Competencies* is a topic of local and global interest (Chapman & Lovell, 2006; Chung-Herrera et al., 2003; Katz, 1955; Sandwith, 1993). Effective and competent leaders have been identified as crucial to organizations wanting to thrive locally, nationally, or globally. From there, competency models have started to emerge based on studies from various researchers who preached their usefulness on multi-levels such as increasing organizational performance, reducing

executive turnover rates, improving training and development programs, and improving educational programs to offer more compatible curricula. As such, having and continuously updating competency modeling can influence the performance of hospitality industry leaders in general and the lodging industry leaders in particular to show better performance in competitive times (Dalton, 1997; Kay & Russette, 2000; Mirabile, 1997; Okeiyi et al., 1994; Perdue et al., 2002; Sandwith, 1993; Tas, 1988; Tas et al., 1996).

It is noteworthy to mention that the investigation of *Managerial Competencies* in the lodging industry (before investigating relationships with other variables such as *Exemplary Leadership*) is a new area of study that has only recently attracted the attention of researchers and practitioners in the field (Chung-Herrera et al., 2003; Kay & Russette, 2000; Okeiyi et al., 1994; Perdue et al., 2002; Tas, 1988; Tas et al., 1996). While recommendations of studies done so far suggest the need to pursue research in more hospitality-related industries and in various geographical locations; preliminary research using databases of scholarly, peer-reviewed articles yielded no results of *Managerial Competencies* and its relationship to *Exemplary Leadership* in the lodging industry. Moreover, no results were found of such relationship as pertaining to the country of Lebanon. This was a major gap in the literature that is hoped to be filled in by extending research in this field.

The topic of this study is researchable because all variables, research questions, and hypotheses could be measured by scientific questionnaires and statistical analysis. This study is also feasible, because it can be implemented under reasonable time and cost limits.

2.5 Research Question

The aim of this study was to determine if there is a relationship between *Managerial Competencies* and *Exemplary Leadership* practices. There is one major research question accompanied by one main hypothesis (H) and five (5) sub-hypotheses. The main research question of this study was to empirically investigate the relationship between Lebanese lodging industry managers' perceived importance of *Managerial Competencies* and *Exemplary Leadership* practices.

2.6 Research Hypotheses

H1:   There is a significant positive relationship between perceived importance of *Managerial Competencies and Exemplary Leadership practices of managers in the Lebanese lodging industry.*

H1a: There is a significant positive relationship between perceived importance of *Managerial Competencies* and the *"model the way"* practice of managers in the Lebanese lodging industry.

H1b: There is a significant positive relationship between perceived importance of *Managerial Competencies* and the *"inspire a shared vision"* practice of managers in the Lebanese lodging industry.

H1c: There is a significant positive relationship between perceived importance of *Managerial Competencies* and the *"challenge the process"* practice of managers in the Lebanese lodging industry.

H1d: There is a significant positive relationship between perceived importance of *Managerial Competencies* and the *"enable others to act"* practice of managers in the Lebanese lodging industry.

H1e: There is a significant positive relationship between perceived importance of *Managerial Competencies* and the *"encourage the heart"* practice of managers in the Lebanese lodging industry.

3 METHODOLOGY

3.1 Research Design

To examine the relationship among the *Managerial Competencies* and *Exemplary Leadership* practices of managers in the lodging industry, a study was conducted on managers of lodging properties in Lebanon. The design was a non-experimental, quantitative, explanatory, correlational design, and was conducted through an onsite survey to collect data. An explanatory research design is a "correlational design in which the researcher is interested in the extent to which two variables (or more) co-vary, that is, where the change in one variable is reflected in changes in the other" (Creswell, 2005, p. 327). Based on the literature review, there are no empirical studies that have examined the research question and hypotheses outlined in this study.

The purpose of this research design was to test one hypothesis with H1 having five sub-hypotheses. Multiple regression analysis was utilized with SPSS to test the aforementioned hypotheses. The independent variables are the *Managerial Competencies* of managers in the Lebanese lodging industry; the dependent variable is *Exemplary Leadership* practices.

In this study, lodging properties consisted of property characteristics that include sleeping accommodations among an array of services*. Managerial Competencies* referred to the *Conceptual/Creative, Interpersonal, and Leadership* skills of managers based on a model developed by Sandwith (1993); and tested by Koenigsfeld (2007) in the club management industry. Finally, *Exemplary*

Leadership referred to five practices identified by Kouzes and Posner (1995) (*model the way, inspire a shared vision, challenge the process, enable others to act*, and *encourage the heart*) as essential for success as an effective manager.

The survey contained three parts where Part A covered the *Demographic Profile* of Lebanese managers participating in the survey, Part B covered the *Managerial Competencies* adapted from the instrument developed by Koenigsfeld (2007), with permission, and part C covered the five practices of *Exemplary Leadership* developed by Kouzes and Posner (1995) with permission.

3.2 Sampling Plan

The target population consisted of general managers and department managers of all hotels in Lebanon. Due to the relatively small size of the country and in an effect to maximize responses, the accessible population was the same as the target population. The main entity contacted is the Ministry of Tourism since all hotels are required to obtain permission to operate and comply with the Ministry's rules and regulations. Also, to ensure anonymity, only hotels with a minimum of five managers will be contacted to participate in the survey. The selection of participants was based on certain criteria to enhance the internal validity of the study. For inclusion in this study, participants must be:

18 years or older

English speaking

Currently employed at a hotel in Lebanon

Holding the title of General manager or, at the minimum, a Department Manager of the hotel

The target and accessible population were the same for this study: the General Manager and Department Heads holding the title of at least a Manager in a hotel whose position is indicative of leadership to a group of hotel employees. Therefore, the final sample consisted of hotel managers and department managers who responded to the researcher's request for administering the survey on them and who fit the eligibility criteria for this research.

Because this plan is categorized as a convenience sampling plan, the participation rate is not a key figure to mention since only willing and eligible employees participated in the survey. Nevertheless, not all returned surveys were usable surveys.

In this study, a total of thirty hotels were contacted to participate by sending an email to the general manager and/or human resource manager of each hotel. From these, and over a period of two months, a total of 284 surveys were picked up from the various participating hotels resulting in 254 usable surveys which constitutes a valid response rate of 89% (254/284).

3.3 Survey Instruments

For this research, the questionnaire to be used was made up of three survey instruments. Part A was developed by the researcher and measured the *Demographic Profile* of managers/leaders, Part B measured the *Managerial Competencies* of managers/leaders using an adapted version of the Club Manager Competency Survey developed by Koenigsfeld (2007). Part C measured the five practices of *Exemplary Leadership* using the LPI instrument developed by Kouzes and Posner (1995).

3.4 Data Collection and Analysis Methods

Hotels with a minimum of five managers were contacted. Permission was requested from General Managers of hotels prior to delivering and administering surveys. Completion of the survey by respondents was anonymous. A box with a slit on top was left at the Front Desk where respondents dropped off their finished surveys.

The data collected from the survey was analyzed using the Statistical Product and Service Solutions, (SPSS) version 19.0, an IBM product acquired by IBM in 2009 (Hejase and Hejase, 2013, p. 57). The methods of data analysis included descriptive statistics, Pearson product moment correlation, factor analysis and multiple regression. Validity of the instrument was enhanced by having Parts A, B, and C reviewed by a panel of experts. All hypotheses were tested using a 5 percent level of significance:

To test H1, if there is a significant positive relationship between *Managerial Competencies* and *Exemplary Leadership* practices, multiple regression was used.

4 RESULTS AND FINDINGS

4.1 Demographics

The sample indicated that respondents were almost entirely Lebanese (94.1%) with North Americans (1.2%) and Western Europeans (2.8%) comprising less than five percent of the sample. The majority of respondents were between 18 and 34 years old (75.5%). Respondents over the age of 65 represented the smallest age group (1.2%). Almost two thirds of respondents were males (69.3%) and about one third was females (30.7%).

The majority of respondents had an undergraduate degree (44.1%) followed by those with a graduate degree (25.6%) while those with a doctoral degree represented the smallest percentage of respondents (2.4%). A little less than two third (60.6%) of respondents studied hospitality management during their education period.

The majority of respondents had an average of three years of professional experience in the lodging industry (40.9%) followed by those with an average of eight years of experience (29.9%) with few respondents having over twenty years of experience in the lodging industry (2.4%). Almost two thirds of respondents had an average of three years of management experience in the lodging industry (67.7%) followed by those who have an average of eight years of management experience in the lodging industry (19.7%). Most respondents had three years as an average for years employed in current position (83.9%).

The majority of respondents worked in hotel properties that had an average of 150 rooms (41.7%). Properties that had an average of 450 or more rooms represented the lowest category (1.6%). As far as number of employees per property, 54.3% worked in hotels that employed an average of 150 employees while only 3.6% worked in properties that employed an average of 450 or more employees.

Since only four and five star hotels were selected for the study, respondents who worked for five star hotels as rated by the Lebanese government were 57.1% compared to 42.9% working for four star hotels. As for property affiliation, the majority worked for chain hotels (61.8%) with the rest working for independents (38.2%). Finally, 78.7% of respondents classified hotels they work in as city hotels compared to 21.3 describing hotels they work in as resort hotels.

4.2 Frequency Distribution for LPI Survey

Worth mentioning that respondents in their assessment of all selected statements, allocated ten scales ranging from 1: Almost never; to 5: Occasionally; and then 10: Almost always. For each of the five practices, hotel managers responded to six items related to their perception of the frequency of use with which they used these items.

Model the way practice. *Model the way* encompasses two commitments that revolve around clarifying values by finding one's own voice and affirming shared ideas, as well as setting an example by aligning actions with shared values. In this practice, the mean for each of the six behaviors ranged from 7.75 (sets a personal example of what is expected) to 8.44 (follows through on promises and commitments).

Inspire a shared vision practice. *Inspire a shared vision* practice encompasses two commitments that revolve around envisioning the future by imagining exciting and ennobling possibilities, as well as enlisting others in a common vision by appealing to shared aspirations. The mean for each of the six behaviors in this practice ranged from 7.48 (talks about future trends influencing our work) to 8.13 (speaks with conviction about meaning of work).

Challenge the process practice. *Challenge the process* practice encompasses two commitments that revolve around searching for opportunities by seizing the initiatives, as well as experimenting and taking risks by generating small wins and learning from experience. The mean for each of the six behaviors in this practice ranged from 7.41 (experiments and takes risks) to 8.10 (makes certain that goal plans and milestones are set.

Enable others to act practice. *Enable others to act* practice encompasses two commitments that revolve around fostering collaboration by building trust, as well as strengthening others by increasing self-determination and developing competence. In this practice, the mean for each of the six behaviors, ranged from 7.39 (supports decisions other people make) to 8.67 (treats people with dignity and respect).

Encourage the heart practice. *Encourage the heart* practice encompasses two commitments that revolve around recognizing contributions by showing appreciation to individual excellence, as well as celebrating the values and victories by creating a spirit of community. The mean for each of the six behaviors in this practice ranged from 7.66 (recognizes people for commitment to shared values) to 8.48 (give team members appreciation and support).

4.3 Frequency Distribution for Managerial Competency Survey

Part B of the survey was the *Managerial Competency* Survey and contained 60 *Managerial Competencies* for hotel managers or supervisors to rate regarding importance of use. Based on Sandwith's (1993) *Competency Domain Model*, the competencies were placed in three *Domains*: *Conceptual/Creative, Interpersonal, and Leadership.* In this study an adaptation of Koenigsfeld (2007) resulted in three *Domains* remaining the same. Each competency was rated on importance using a five point Likert scale where five (5) was critically important and one (1) was not important.

Conceptual/Creative Domain. For the *Conceptual/Creative Domain*, hotel managers responded to twelve items (eleven items plus one overall item for the *Domain*) related to their perception of the importance of use with which they used these items. The *Conceptual/Creative Domain* encompasses items related to the organization's mission, strategic environment, new idea development, and adaptation to changing circumstances (Koenigsfeld, 2007). The mean for this *Domain* ranged from 3.70 (Considers a broad range of factors "internal and/or external trends" when solving problems and making decisions) to 3.94 (Translates business strategies into clear objectives and tactics).

Interpersonal Domain. For the *Interpersonal Domain*, hotel managers responded to seventeen items (sixteen plus one overall item for the *Domain*) related to their perception of the importance of use with which they used these items. The *Interpersonal Domain* encompasses competencies related to communication functions such as writing, speaking, and listening as well as interactions with others including negotiations and providing feedback to employees (Koenigsfeld, 2007). The mean for this *Domain* ranged from 3.54 (Engages in social and causal-rapport communication with individuals outside the organization) to 4.05 (maintains working relationships and good communication with all departments).

Leadership Domain. For the *Leadership Domain*, hotel managers responded to 31 (30 plus one overall item for the *Domain*) related to their perception of the importance of use with which they used these items. In addition to providing a link between the *Conceptual/Creative* and other *Domain*, the *Leadership Domain* encompasses competencies that link thoughts and ideas into action (Sandwith, 1993). Leaders must be trustworthy role models that exhibit trust in followers and supporters as well as empower them

to do their job effectively (Koenigsfeld, 2007). The mean for this *Domain* ranged from 3.69 (Employs a team approach to solve problems when appropriate) to 4.18 (treats people with respect).

4.4 Reliability and Validity of the Measurement Scales

The survey was composed of three parts which included two scales that were used in this study. Part A was developed by the researcher and contained questions related to the *Demographic Profile* of managers where managers worked. Part A had a total of thirteen dichotomous or multiple choice items. Part B was the *Managerial Competency* survey by Koenigsfeld (2007), and adapted for this study, measured hotel managers' perceived importance of competencies. Part B had a total of 60 questions under three overall *Domain*s or *Cluster*s. Lastly, part C of the survey was the *Leadership Practices Inventory* (LPI), developed by Kouzes and Posner (2002), measured hotel managers' perceived importance of the 30 statements that make up the LPI.

Prior to answering research questions and testing hypotheses, reliability and validity analyses were conducted on each of the two scales to ensure the adequacy of their psychometric qualities. Exploratory factor analysis and internal consistency reliability analysis using Cronbach's alpha for both scales was used.

Cronbach's alpha for the three *Domain*s/*Cluster*s of the managerial competency survey ranged from .878 (*Conceptual Creative Cluster*), followed by .894 (Interpersonal Domain) to .947 (*Leadership Domain*) which exceeded the minimum of .7 (Lee et al., 2005). For all three *Domain*s/*Cluster*s, there were no items which would significantly increase Cronbach's alpha if deleted.

Cronbach's alpha for the five practices of *Exemplary Leadership* ranged from .821 (Model the Way) to .868 (Encourage the Heart) which exceeded the minimum of .7 (Lee et al., 2005).

4.4.1 Exploratory factor analysis for the managerial competencies survey

Factor analysis is used to identify groups or *Cluster*s of variables by reducing data from a group of interrelated variables to a smaller set of factors (Field, 2009, p. 628). By extracting interrelated variables, factor analysis ensures an instrument's construct validity (Morgan, Leech, Gloeckner, & Barrett, 2011). The *Managerial Competencies* Survey is composed of 60 statements that are grouped under three main *Domain*s (Sandwith, 1993): *Conceptual/Creative, Interpersonal, and Leadership*.

 Kaiser-Meyer-Olkin (KMO) and Bartlett's test of Sphericity were used to examine the sampling adequacy of items and the multivariate normality of items (Field, 2009). In general, KMO test values between 0.7 and 0.8 are considered "good", values between 0.8 and 0.9 are considered "great", and values above 0.9 are considered "superb" (Field, 2009, p. 659). As for Bartlett's test, it should have a significance value less than .05 *(p<.05)* for factor analysis to be appropriate (Field, 2009, p. 660). In this study, KMO test result was .894 and Bartlett's test had a significance value of .000. Both tests indicated that factor analysis on the scale was appropriate.

In the following step, Exploratory Factor Analysis (EFA) was conducted to examine the 60 variables that make up the *Managerial Competencies* Survey and determine which ones were associated with which *Domain* or *Cluster*. To further establish construct validity of the *Managerial Competencies* Survey, exploratory factor analysis (EFA) using Varimax rotation was conducted on the 60-item *Managerial Competencies* scale. Factor extraction was initially based on eigenvalues greater than 1.0. However, initial extraction resulted in 31 factors. Subsequent factor extraction was based on a fixed number of factors to extract, resulting in four factors that accounted for 52.30% of the total variance explained.

Generally, a loading of 0.4 is recommended for satisfactory EFA analysis (Field, 2009). This was the cutoff used when computing the factor totals for each of the Managerial Competency *Domain*s/*Cluster*s. The factor loadings were as follows:

Factor 1 (*Leadership/Interpersonal*) consisted of 23 items (19 *Leadership* and four *Interpersonal*) with factor loadings ranging from .406 to .639. Factor 2 (*Conceptual/Creative*) consisted of eleven items that all belonged to the same *Domain* with factor loadings ranging from .447 to .661. Factor 3 (*Interpersonal*) consisted of six factors (five *Interpersonal* and one *Leadership*) with factor loadings ranging from .422 to .583. Factor 4 (*Leadership*) consisted of four factors that all belonged to this *Domain* with factor loadings ranging from .414 to .589.

4.4.2 Exploratory factor analysis for the LPI

The LPI is composed of thirty statements where six statements measure each of the five key practices of exemplary leaders: *model the way, inspire a shared vision, challenge the process, enable others to act* and *encourage the heart*.

In this study, KMO test was .942 and Bartlett's test had a significance value of .000. Both tests indicate that factor analysis on the scale is appropriate.

In the following step, EFA was conducted to examine the thirty variables that make up the LPI and determine which ones were associated with which practice.

To further establish construct validity of the LPI scale, exploratory factor analysis (EFA) using Varimax rotation was conducted on the 30-item LPI scale. Five factors: *model the way, inspire a shared vision, challenge the process, enable others to act*, and *encourage the heart* were expected to emerge from the analysis. Factor extraction was based on eigenvalues greater than 1.0 resulting in four factors that accounted for 65.30% of the total variance explained.

Generally, a loading of 0.4 is recommended for satisfactory EFA analysis; however, to ensure all items loaded on to a factor, a cutoff of 0.35 is used (Field, 2009, p. 645). The factor loadings were as follows: Factor 1 consisted of ten items (four encourage, three enable, two model, and one challenge) with factor loading ranging from .460 to .805. Factor 2 consisted of nine items (two inspire, two enable, two challenge, two encourage and one model) with factor loadings ranging from .470 to .749. Factor 3 consisted of five items (three inspire, one model and one challenge) with factor loadings ranging from

.498 to .724. Factor 4 consisted of six items (two model, two challenge, one inspire and one enable) with factor loadings ranging from .449 to .760.

4.5 Results for Hypotheses Testing

Research Hypothesis 1

H1:   There is a significant positive relationship between perceived importance of *Managerial Competencies* and *Exemplary Leadership* practices of managers in the Lebanese lodging industry.

To test Hypothesis 1, multiple regression analyses using the hierarchical (forward) method were performed to determine whether there was a significant explanatory (correlational) relationship between each of the *Exemplary Leadership* referred to five practices (*model the way, inspire a shared vision, challenge the process, enable others to act*, and *encourage the heart*) as essential for success as an effective manager as dependent variable and perceived importance of the three different *Managerial Competencies (1-Conceptual/Creative Domain; 2-Interpersonal Domain; 3-Leadership Domain)* as independent variables.

Before performing regression analysis, Pearson *R* was used to determine the statistical significance of the correlations between the pairs of variables. Then regression model analysis was fully performed. Worth mentioning that Collinearity statistics were examined to assure validity of the exercises performed. The Variance Inflation Factor (VIF) is a predictor of strong linear relationships with other predictors and may be a concern if over 10, while tolerance should be greater than .10 (Field, 2005, p. 224). For all the models produced in H1 regressions, the (VIF) ranged from 1.000 to 4.291, while the tolerance ranged from .240 to 1.000. These results were well within the recommended guidelines, suggesting multicollinearity was not a problem for H1 hypotheses. Finally, although *t*-tests are easiest to conceptualize as measures of whether the predictor is making a significant contribution to the model, the standardized beta values (*β*) provide a better insight into the importance of a predictor in the model. Therefore, the standardized beta values (*β*) will be used to indicate the degree of importance in the best model (Field, 2009, p. 239).

Pearson *R* was used to determine the correlations between perceived importance of *Managerial Competencies (1-Conceptual/Creative Domain; 2-Interpersonal Domain; 3-Leadership Domain).*and the 5 practices of exemplary leadership. Results showed significant correlations with all *Managerial Competencies*. Results are presented in Table 1.

Table 1: Pearson R Correlations between the Three Managerial Competencies and Exemplary Leadership Five Practices

Managerial Competencies and Model the Way Practice	Pearson R	p-value
Conceptual/Creative	.362	.000
Interpersonal	.444	.000
Leadership	.522	.000

Managerial Competencies and Inspire a Shared Vision Practice	Pearson R	p-value
Conceptual/Creative	.357	.000
Interpersonal	.424	.000
Leadership	.483	.000

Managerial Competencies and Challenge the Process Practice	Pearson R	p-value
Conceptual/Creative	.368	.000
Interpersonal	.455	.000
Leadership	.526	.000

Managerial Competencies and Enable Others to Act Practice	Pearson R	p-value
Conceptual/Creative	.374	.000
Interpersonal	.440	.000
Leadership	.528	.000

Managerial Competencies and Encourage the Heart Practice	Pearson R	p-value

Conceptual/Creative	.362	.000
Interpersonal	.461	.000
Leadership	.543	.000

Note. *p* < .05.

Results of the regression analysis are presented next for each hypothesis.

H1a: There is a significant positive relationship between perceived importance of *Managerial Competencies* and the *model the way* practice of managers in the Lebanese lodging industry.

Using hierarchical multiple regression testing for a relationship between perceived importance of the three *Managerial Competencies* and the *model the way* practice of managers in the Lebanese lodging industry. The model had significant *F* value (*F* = 12.345, *p* = .000) with *Adjusted R^2*, explaining between 31% to 33.7% of the variance. As such, the model was selected as the explanatory model to predict managers' perceived importance of *Managerial Competencies* and the *model the way* practice.

Analysis of the individual predictors in the explanatory model indicated significant explanatory relationships between one predictor and the *model the way* practice. The standardized beta coefficient (*β*) for the predictor indicated its relative importance in explaining the *model the way* practice results. *Leadership* was the most important predictor in the model (*t* = 5.339, *p* = .000, *β* = .578). Thus, H1a was partially supported.

H1b: There is a significant positive relationship between perceived importance of *Managerial Competencies* and the *inspire a shared vision* practice of managers in the Lebanese lodging industry.

A model was produced from the hierarchical multiple regression testing for a relationship between perceived importance of the *Managerial Competencies* and the *inspire a shared vision* practice of managers in the Lebanese lodging industry. The model had significant *F* value (*F* = 9.441, *p* = .000) with *Adjusted R^2*, explaining between 25.0% and 28.0% of the variance. As such, the model was selected as the explanatory model to predict managers' perceived importance of *Managerial Competencies* and the *inspire a shared vision* practice.

Analysis of the individual predictors in the explanatory model indicated significant explanatory relationships between one predictor and the *inspire a shared vision* practice. The standardized beta

coefficient (*β*) for the predictor indicated its relative importance in explaining *model the way* practice results. *Leadership* was the most important predictor in the model (*t* = 3.683, *p* = .000, *β* = .415).

Leadership Managerial Competencies had a positive relationship with the *inspire a shared vision* practice indicating that managers with higher perceptions of the importance of those *Managerial Competencies* used the *inspire a shared vision* practice more frequently. Thus, H1b was partially supported.

H1c: There is a significant positive relationship between perceived importance of *Managerial Competencies* and the *challenge the process* practice of managers in the Lebanese lodging industry.

A model was produced from the hierarchical multiple regression testing for a relationship between perceived importance of the *Managerial Competencies* and the *challenge the process* practice of managers in the Lebanese lodging industry. The model had significant *F* value, (*F* = 11.035, *p* = .000) with *Adjusted R²*, explaining between 28.5% and 31.3% of the variance. The model was selected as the best explanatory model to predict managers' perceived importance of *Managerial Competencies* and the *challenge the process* practice.

Analysis of the individual predictors in the best explanatory model indicated significant explanatory relationships between one predictor and the *challenge the process* practice. There is no need to indicate the order of strength relationship since *Leadership* was the only significant predictor in the model (*t* = 4.817, *p* = .000, *β* = .535).

Leadership Managerial Competencies had a positive relationship with the *challenge the process* practice indicating that managers with higher perceptions of the importance of those *Managerial Competencies* used the *challenge the process* practice more frequently. Thus, H1c was partially supported.

H1d: There is a significant positive relationship between perceived importance of *Managerial Competencies* and the *enable others to act* practice of managers in the Lebanese lodging industry.

A model was produced from the hierarchical multiple regression testing for a relationship between perceived importance of the *Managerial Competencies* and the *enable others to act* practice of managers in the Lebanese lodging industry. The model had significant *F* value, (*F* = 11.264, *p* = .000) and had the *Adjusted R²*, explaining between 28.9% and 31.7% of the variance. As such, this model was the best explanatory model to predict managers' perceived importance of *Managerial Competencies* and the *enable others to act* practice.

Analysis of the individual predictors in the explanatory model indicated significant explanatory relationships between two predictors and the *enable others to act* practice. The standardized beta

coefficient (*β*) for each of the predictors indicated its relative importance in explaining the *enable others to act* practice results. *Leadership* was the most important predictor in the model (*t* = 5.143, *p* = .000, *β* = .565).

Leadership Managerial Competencies had a positive relationship with the *enable others to act* practice indicating that managers with higher perceptions of the importance of those *Managerial Competencies* used the *enable others to act* practice more frequently.

H1e   There is a significant positive relationship between perceived importance of *Managerial Competencies* and the *encourage the heart* practice of managers in the Lebanese lodging industry.

A model was produced from the hierarchical multiple regression testing for a relationship between the ten *Managerial Competencies* and the *encourage the heart* practice of managers in the Lebanese lodging industry. The model had significant *F* value, (*F* = 12.599, *p* = .000) and had *Adjusted R²*, explaining between 31.4% and 34.1% of the variance. As such, this model was selected as the explanatory model to predict managers' perceived importance of *Managerial Competencies* and the *encourage the heart* practice.

Analysis of the individual predictors in the explanatory model indicated significant explanatory relationships between one predictor and the *encourage the heart* practice. The standardized beta coefficient (*β*) for the predictor indicated its relative importance in explaining *encourage the heart* practice results. *Leadership* was the most important predictor in the model (*t* = 5.222, *p* = .000, *β* = .563).

Leadership Managerial Competencies had positive relationships with the *encourage the heart* practice indicating that managers with higher perceptions of the importance of those *Managerial Competencies* used the *encourage the heart* practice more frequently. Thus, H4e was partially supported.

5 DISCUSSION AND CONCLUSION

The importance of competency models lies in their ability to accurately develop job profiles as well as in performance appraisals by rating an employee's level of competency against a standard model or profile selected by the organization (Mirabile, 1997). Sandwith (1993) added that the value of a *Competency Domain Model* is particularly important for large organizations because it provides an excellent template that guides training programs in profiling job competencies and identifying needed competencies for each managerial level.

Large organizations with multiple managerial levels are great beneficiaries of *Managerial Competencies* (Katz, 1955); however, the hospitality industry in general and the lodging industry in particular have plenty to benefit from adopting competency models in identifying competencies necessary for current and aspiring leaders of lodging establishments. In today's global business environment, lodging companies

that want to stay competitive must identify the competencies required not only for today but also for tomorrow's industry leadership. Existing research in competency modeling, while in its early stages, is already proving to be fruitful for many hospitality organizations. Prior studies in the hospitality industry, however, explored only competencies needed by lodging managers or leadership styles required for successful leadership in the lodging industry independently. This study was the first to combine theories of managerial competency modeling and a currently popular leadership style, namely, *Exemplary Leadership*. Furthermore, based on the researcher's literature review, this study was the first in Lebanon to use the *Leadership Practices Inventory* (LPI) by Kouzes and Posner. Therefore, this study extended previous research to a new area of study as well as a new culture and thus contributed to the existing body of knowledge.

The purpose of this non-experimental and correlational (explanatory) study is to determine if there is a relationship between Lebanese lodging industry managers' perceived importance of *Managerial Competencies* and *Exemplary Leadership* practices.

5.1   Research Hypothesis 1

H1:   There is a significant positive relationship between perceived importance of *Managerial Competencies* and *Exemplary Leadership* practices of managers in the Lebanese lodging industry.

Hypothesis 1 tested for a relationship between the perceived importance of *Managerial Competencies* (*1-Conceptual/Creative Domain; 2-Interpersonal Domain; 3-Leadership Domain)* and the five practices of the dependent variable, *Exemplary Leadership (1-model the way, 2-inspire a shared vision, 3-challenge the process, 4-enable others to act,* and *5-encourage the heart*). Therefore, Hypothesis 2 had five separate sub-hypotheses.

H1 was supported. All of the five sub-hypotheses (H1a, H1b, H1c, H1d, and H1e) were partially supported indicating that there is a relationship between perceived importance of *Managerial Competencies* and each of the five practices of *Exemplary Leadership*. Although this study's literature review did not find previous research that studied the relationship between *Managerial Competencies* and *Exemplary Leadership* practices instruments, studies using similar constructs supported findings. Table 2 presents a summary of results for H1 and its sub-hypotheses. The analysis of results follows.

Table 2: H1 Summary Results

	Hypotheses	Conceptual	Interpersonal	Leadership	Results
H1	There is a significant relationship between the perceived importance of *Managerial Competencies* and *Exemplary Leadership* practices of managers in the Lebanese Lodging Industry.				Partially Supported
H1a	*Managerial Competencies → Model the Way*			√	Partially Supported
H1b	*Managerial Competencies → Inspire a Shared Vision*			√	Partially Supported
H1c	*Managerial Competencies → Challenge the Process*			√	Partially Supported
H1d	*Managerial Competencies → Enable Others to act*			√	Partially Supported
H1e	*Managerial Competencies → Encourage the Heart*			√	Partially Supported

Leadership Managerial Competencies had positive relationships with the *model the way, inspire a shared vision, challenge the process, enable others to act,* and *encourage the heart* practices indicating that managers with higher perceptions of the importance of *Leadership Competencies* used all five practices more frequently. Findings were supported by study results by Tas et al. (1996) who stressed the importance of modeling the way and coaching in both training and education programs. Chathoth and Olsen (2002) study results on *Leadership* characteristics of lodging firms in India reported that challenging the process championed by their president who is designated as Chief Disorganizer is a core value for good *Leadership* characteristics. Chathoth and Olsen (2002) study results on *Leadership* reported that empowerment and enabling employees though education, training and skill development as well as rewarding and recognizing employees (similar to *encouraging the heart*) are core values for good *Leadership* characteristics. They further reported that providing a clear vision was important for incorporating change into the business strategy and the organizational structure of the company.

Furthermore, Chung-Herrera et al. (2003) study results indicated that fostering motivation (similar to encourage the heart), developing others (similar to enable others to act), and embracing change (similar to challenge the process) scored high under their *Leadership* factor. Kay and Russette (2000) study identified role modeling as essential competencies common to more than one functional area or level of management. Mwendia (2006) study results on lodging industry in Kenya and the East African Region indicated that personal role modeling, having a clear shared vision, empowerment, and enabling others to act as part of people *Leadership* competencies showed moderate positive relationship between leadership and profitability on rooms (POR). Mwendia (2006) further indicated that empowerment and enabling others to act showed moderate positive relationship between leadership and profitability on rooms (POR). Solnet, Kralji, Kay, and DeVeau (2008) study results on expectations of industry professionals from students upon internship completion reported that role modeling competencies topped the list of *Leadership Domain*.

To summarize the results for the research question of this study, the following is presented. Managers of the Lebanese lodging industry who had higher perceptions of the importance of *Leadership Managerial Competencies* used the *model the way*; the *inspire a shared vision*; the *challenge the process*; the *enable others to act*; and the *encourage the heart* practice more frequently.

The aim of this study was to examine the relationship among the *Managerial Competencies* and *Exemplary Leadership* practices of managers in the Lebanese lodging industry. Findings of this study supported the hypothesis, therefore confirming the relationship between the independent variables and dependent variable used in this study.

5.4 Implications

In the world of business management, futurists are predicting that the next 25 years will bring more change than what the world has seen in the last 100 years. If their predictions turn out to be true, *adaptation* to *innovation* must progress with the same speed of this anticipated change (Kipp, 2001). In order to achieve this goal, leaders must be prepared to face the leadership challenges that the future holds. For the lodging industry in Lebanon, hospitality leaders have a particularly daunting task in preparing current and future leaders to successfully resume or assume the managerial responsibilities that lie ahead. The implications for this study are as follows:

Hospitality educators have agreed on the need to have an educational balance that combines theoretical education with practical experience and training (Okeiyi et al., 1994). This study supports these recommendations. Both educators and industry professionals from the private sector should coordinate efforts with relevant offices from the public sector in order to provide the Lebanese hospitality industry with a labor force that is competent in managing hospitality related operations.

Similar to what Tas et al. (1996) proposed, Human Resource departments in the Lebanese lodging industry should consider adding competencies required for management positions in their hotels, in addition to job descriptions. Later on, supervisors can rate manager trainees on a checklist of competencies

performed and most importantly, manager trainees can evaluate themselves against the checklist to identify areas of improvement.

This study will help Lebanese hospitality curricula in developing programs for entry level management positions that would better prepare graduates to meet current industry needs.

Leadership Managerial Competencies was perceived as the most important in relation to LPI since *Leadership Competencies* indicated a positive relationship with all five practices of *Exemplary Leadership*. Therefore, stakeholders should focus on and enrich such skills in HR practices and educational curricula.

5.5 Conclusion

In facing the rising demand for improved quality, reduced costs, and constant innovation; the need to continuously upgrade knowledge, skills, and abilities is essential for all leadership roles including those held by executives, managers, and supervisors (Dalton, 1997; Kay & Russette, 2000; Mirabile, 1997; Okeiyi et al., 1994; Perdue, Ninemeier & Woods, 2002; Sandwith, 1993; Tas, 1988; Tas et al., 1996). With management scholars racing to meet this demand, *competency modeling* has become one of the most frequently used techniques to help organizations profile jobs, select, as well as prepare the right person for the right leadership position (Katz, 1955; Sandwith, 1993). According to Sandwith (1993), the best solution can be found in creating a comprehensive competency model that delineates a distinct hierarchy of knowledge, skills, and abilities (referred to as competencies by Sandwith), required for effective managers (p.43).

5.6 Limitations

The focus on Lebanon narrowed the scope of the sample geographically to may possibly be interpreted as a convenience sampling plan. Therefore, results may not be generalizable beyond the specific population from which the sample was drawn since each country has its unique culture that may encompass economic, political, religious, and traditional values

The results of this study are meant to represent *Managerial Competencies* to *Exemplary Leadership* practices of managers in the lodging industry within the country of Lebanon. Hence, results may not be applicable to other industries, because each industry has its own leadership style, organizational culture, levels of job satisfaction, working hours, and reward system.

The study does not take into consideration any unpredictable internal or external factors, such as financial difficulties, political difficulties, or war; nor macro-economic factors or indicators such as unemployment rate, Gross Domestic Product (GDP), or Consumer Price Index (CPI).

Other profile variables, not studied in this research, and which need to be addressed are the professional and organizational profiles.

5.7 Recommendations

This study was the first to provide a research on whether a relationship between *Managerial Competencies* and *LPI* practices exists in the lodging industry in Lebanon. Several recommendations are suggested as follows:

Lebanese educators must continue to keep abreast of industry expectation and incorporate them into hospitality management curricula, as competences requirements change, curricula must be updated accordingly.

Hospitality educators should conduct a longitudinal follow up study to assess whether their graduates actually demonstrate the competencies expected by general managers and hotel companies in Lebanon.

Since the Ministry of Tourism is studying updated rules and regulations, it would be interesting to duplicate this study under the new laws. The results of determining if there is a relationship between *Managerial Competencies* and *Exemplary Leadership* practices could then be compared in both studies to observe if any differences occur, especially those related to *Administrative* competencies.

Regardless of whether changes by the Ministry of Tourism are incorporated, this study is considered a snapshot in time and therefore, must be replicated over time to determine whether competencies perceived importance have changed, or whether competencies need to be added or eliminated.

The same study could be conducted in other industries such as the banking industry or the education industry to observe if there are any relationships between *Managerial Competencies* and *Exemplary Leadership* practices. Results may reveal similarities or differences that can have national repercussions on both industry and educational preparations.

The same study could be conducted in other countries in the MENA (Middle East and North Africa) region with the same sample of the same positions in order to further investigate the relationship between *Managerial Competencies* and *Exemplary Leadership* practices. This would help in extending the body of knowledge in this field tremendously as recommended by Hodgetts (as cited in Amunckmanee, 2002) who indicated that although *Leadership* is widely recognized as a significant study of international management, however, little has been done to systematically study and compare *Leadership* approaches throughout the world since most studies have focused on specific countries or geographic areas.

Future studies could be reversed to include the input of subordinates in order to test how they observe the relationship between *Managerial Competencies* and *Exemplary Leadership* practices especially those related to *Leadership* competencies which revealed a positive relationship when it comes to *Leadership Managerial Competencies* and all five practices of *Exemplary Leadership*.

Finally, it is important to repeat the research to see if there is a relationship between the managers' demographic, professional and organizational profiles and the managerial competencies.

6 ACKNOWLEDGEMENT

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NEW TRENDS FOR TOURISM PRODUCTS: THE ISSUE OF TOURISM RESOURCES

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Abstract

The existence of tourism resources is a key factor and competitive advantage for countries who try to be developed. The shift to a more sustainable tourism development underlined the need to create new tourism products, which would match the shift from "quantitative" demand to a more "qualitative" one. The pursuit of sustainability through SIT development and planning is in the framework of the current study.

Key word: tourism resources, SIT, sustainability, tourist motives

Introduction

Tourists, travel to pursue personal interests, enjoy other environments and nurture personal needs and wants. The time and effort people put into tourist travel are therefore valued differently from other goods and services. Tourism, nowadays, has become far from being dependent on sand-sun-sea and holiday and it has become a phenomenon that integrates with requests such as entertainment, sport, excitement, discovery of culture, and gaining of health. So, demands for places with a wide variety of services and high quality have increased as much as those for conserved, extraordinary, interesting and isolated places. Places that create demands for tourism have acquired these features depending on the presence of some of their strengths.

The tourist resources besides natural (climate, natural environment etc.) and cultural (tradition, cultural events, local customs etc.) also include infrastructure and services that contribute directly or indirectly to tourism development (hotels, agencies, transport and communication

networks, etc.). The continuous increase of tourist countries and regions in worldwide level requires parallel development, promotion and management of all types of tourism resources. Recent years it is observed a dynamic trend of development in technological made resources (theme parks, tourism and recreation areas).

1. The Pursuit of Sustainability[1]

According to the World Tourism Organization' definition of sustainability, meeting the social needs of the present should not undermine the fragile ecosystems or jeopardize the ability of future generations to meet their own needs. The three pillars of sustainable development: social, economic and environmental are inseparable. "Sustainable tourism takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities.

The sustainability and marketing tool provides an introductory bridge between the two specialist fields of marketing and sustainability. The identification of key opportunities for sustainability should be through understanding customers and market, assessing the sustainability attributes of the organisations products and services and determining which sustainability issues have the greatest potential for use in a marketing campaign.

Sustainable tourism requires the participation of local residents and businesses at the planning stage. The effective collaboration among different stakeholders from the government, tourism boards, businesses and local communities is crucial to successful sustainable tourism management and operations.

The basic principles and objectives of an approach to tourism from the perspective of sustainable development according to World Conference on Sustainable Tourism, Lanzarote, Canary Islands, Spain 1995 are (Cocossis, Tsartas, 2001):

- Sustainability in tourism development means that it should be environmentally friendly now and in the future, as well as economically viable and socially equitable for local communities.
- Tourism should be in harmony with the natural, cultural and human environment.
- Tourism should ensure its effects on cultural heritage and tradition of the local community.
- An active contribution of tourism to sustainable development requires joint actions and of all the public and private sector bodies and effective coordination mechanisms at all levels (local, regional, national, etc.).
- Primary objectives in tourism development should be the preservation of the tourist destination and servicing capabilities of tourists in a strategy for sustainable development.
- Tourism should be based on exploring opportunities for local communities, contributing the most to the local economy.
- Tourism should effectively contribute to improving the quality of life for all and social-cultural enrichment of each destination.
- The central government and related bodies with the participation of local government and NGOs, should take actions that contribute to the integrated planning of tourism development.

- Priority should be given to actions that contribute to the protection and promotion of the environment and integration mechanisms of environmental costs on investment and assistance for tourism.
- The environmentally and culturally sensitive areas should receive special care.
- In the research for alternative forms of tourism, priority should be given to those that contribute to a sustainable development perspective, with respect to the natural and cultural environment.
- Particular attention should be paid to the dissemination and exchange of experience and knowledge to actions and technologies that integrate tourism in sustainable development strategy.
- The policy of sustainable development in tourism requires the support and promotion of environmentally friendly tourism management systems.
- Particular attention should be paid to the role and environmental impact of transport, use of alternative energies and waste management.
- The adoption and implementation of environmentally friendly conduct is important for all actors in tourism.
- Awareness of all is essential for the implementation of the above principles and objectives.

2. Major changes in tourism demand and supply; The Special Interest Tourism (SIT) growing Market [2]

The major trends mainly in demand (tourists and tourism businesses) but also in supply (locals and local planners) constituted a rapidly growing and extremely diversified market -regarding especially motives and infrastructure. Furthermore, the development of SIT is an inseparable part of the regeneration programs in mature mass tourism destinations in order either to renew their traditional products or to differentiate and target new markets or market segments.

The major trends of this enormous change in the overall development of Tourism the last 30 years are the following:

Tourists prefer more independent modes of travel. In the same period tourists started questioning the basic characteristics of mass tourism: this type of organization did not leave room for freedom to the tourists which chose this pattern of travel. Tourists started seeking a more independent type of travel by choosing: the timetable, the destination, the accommodation, the means of travel, the prices, the sites-to-visit etc. Additionally, the internet has contributed heavily to this trend because it provided the user with information, the opportunity to cross-check prices and book on-line.

An increased number of trips in combination with high travel expenditure. Travel and tourism has gradually become an inherent component of the social and economic status of the middle class in the developed countries. The development of the SIT market is linked to an increased number of domestic and outbound trips during the last thirty years and significant increase in family spending on traveling every year. The tourist is now traveling more and consequently chooses different types of travel (in

terms of duration, price and motive) and is thus boosting this new market (SIT). The tourist needs to make difficult choices between different products and destinations as the disposable income sets specific limits.

Table 1: SIT based on motives of tourism (Coccosis, Tsartas, Gkrimpa, 2010)

Acquaintance (accommodation, tour, sport) with the nature and the outdoors	Culture, region, science and education, promotion of products and services
▪ *Agrotourism* ▪ *Ecotourism* ▪ *Skiing* ▪ *Mountaneering*	▪ *Cultural* ▪ *Religious* ▪ *Educational* ▪ *Urban*
Business reasons ▪ *Conference* ▪ *Exhibit* ▪ *Incentive* ▪ *Personal Business trip*	**Sea (tour, sports, accommodation and leisure)** ▪ *Maritime* ▪ *Yachting & sailing* ▪ *Cruise* ▪ *Water sports*
Social reasons, health and quality of life ▪ *Spa/ Therapeutic* ▪ *Medical* ▪ *Wellness* ▪ *Social* ▪ *Tourism for Special Needs people* ▪ *Senior tourism*	**Hobbits, combining leisure and tourism** ▪ *Casino* ▪ *Theme parks* ▪ *Golf* ▪ *Adventure* ▪ *Mega events*
Holidays, organised real estate holiday homes and timeshare ▪ *Holidays organised* ▪ *Real estate cottages* ▪ *Timesharing*	

The notion of "locality" and the bottom-up planning positively affected the development of SIT. According to the principles of sustainable development, locality and bottom-up planning were adopted by tourism regions that sought an integrated approach respecting local culture. The issue of locality was raised by tourism academics, local planners and inhabitants of the tourism regions, who supported that: a development plan should take into account the specific features of the local economy, society, environment and culture. Contrary to the mass tourism development pattern that has a negative impact on the tourist destination mainly due to the infrastructure and the touristification of the local community, the development of SIT can contribute to the development of different types of tourism. The bottom-up planning approach ensures the involvement of the locals in planning as well as the implementation of basic sustainability principles. Therefore, many tourism regions are now pioneers in SIT infrastructures and services.

Tourists are now choosing a more active and rich travel experience. Experiential tourism is becoming more and more important. The trip functions as an opportunity for the tourist to learn the history, culture, and environment and interact with the local society. Moreover, tourists seek a variety of activities at the destination they visit (in contrast to the passive type of travel experience that the organized mass tourism pattern offers). Both these trends constitute the essence of SIT: it offers more active vacations and travel experiences by urging the tourist to develop a different relationship with the destination.

Tourists, especially after the 80's, started traveling for more than one reasons or for more than one dominant reason. This was the result of a change in motives: tourists wanted to do more things than just take a vacation. The new type of multimotivational client wanted to make use of different tourism services and infrastructures in the tourism resort he/she visited. This also forced local governments and local entrepreneurs to develop new products in order to diversify their supply and match the new type of demand (Agrotourism, Ecotourism, Cultural Tourism etc). Thus in many tourism regions we have now besides the traditional vacation tourism infrastructure a number of services provided for this new products which may have different characteristics in their organization and management. A huge turn both in offer and demand was thus the result :beside the traditional massive vacation tourism product we had a vast number of tourism products related to a demand for totally different motives: Environment, Education, Rurality, Heritage, Culture, Sports, Health, History, Congresses, City breaks, Hobbies of all shorts, Casinos, Profession, Experiential travels, Adventure Travels, Thematic Museums ,Thematic Parks etc. This evolution posed a large number of issues for the tourism regions and first of all to create the necessary and specialized infrastructure for this new type of demand.

3. Constructing Tourism Resources [3]

Tourism resources could be defined as those factors that make it possible to produce a tourism experience and include culture (Avila' wall, Great Wall China, Egypt Pyramides, Tour Eiffel etc.),

environment (Birdwatching in Lesvos, Amazon Forest, Sarek National Park in Sweden etc.), infrastructure (transportation, accommodation, health, natural).

A tourism resource as a tourism destination. One has to admit that the management of massive vacation Tourism was an in many cases a rather easy task for tourism regions planners. Most of the decisions regarding demand were taken outside the regions, the "product" was organized and thus easily managed. Two issues than had to be deaed with: promotion and the management of impacts. This is not the case with the new era of having a usually big number of Tourism products in tourism regions with different characteristics, season, clientele, management needs etc. The principles of Sustainability are the proper tool for sustainable local development in an area which has different tourism resources and thus products (Vacation Tourism and SIT).

A tourism resource as a tourism destination. One has to admit that the management of massive vacation Tourism was an in many cases a rather easy task for tourism regions planners. Most of the decisions regarding demand were taken outside the regions, the "product" was organized and thus easily managed. Two issues than had to be deal with: promotion and the management of impacts. This is not the case with the new era of having a usually big number of Tourism products in tourism regions with different characteristics, season, clientele, management needs etc. The formulation of a DMO which will operate both as an observatory of Tourism (Demand trends, Supply needs etc) and a management and promotion tool for the region is of a crucial need in a much more competitive international environment. The principles of Sustainability are the proper tool for sustainable local development in an area which has different tourism resources and thus products (Vacation Tourism and SIT). Examples of tourism resources which became tourist attractions:

Ecotourism of Costa Rica

- *One of the most bio-diverse regions in the world, divided in 20 natural parks*
- *8 biological reserves and a series of protected areas that captivate ecotourism lovers.*
- *Highlights: National Parks, rivers and lakes, rain forest's Aerial team, flora and fauna, horseback riding, canopy tours, birdwatching*
- *Tortuguero National Park is especially famous for sea turtle nesting that takes place every year, and the natural canals that abound with protected species such as crocodiles, manatees, and otters*.

Charles Dickens Museum:

- *Number 48 Doughty Street was an important place in Charles Dickens's life where he resided from 1837 until 1839.*
- *Two of his daughters were born there, his sister-in-law Mary died aged 17 in an upstairs bedroom and some of Dickens's best-loved novels were written there, including Oliver Twist and Nicholas Nickleby.*
- *The Charles Dickens Museum holds the world's most important collection of material relating to the great novelist and social campaign. Holds over 100,000 items including manuscripts, rare editions, personal items, paintings and other visual sources.*

Museum of Auschwitz-Birkenau

The Auschwitz Memorial is more than extensive grounds and original camp blocks, barracks, and guard towers. It is also tens of thousands of objects of a special nature, special meaning, and special symbolism.

- *Above all, it is the personal possessions brought by deportees and found at the site after liberation. They make up a unique collection of items connected with the suffering of the people deported to Auschwitz to be killed immediately, and with those forced into slave labor by the Germans.*
- *It is also the objects connected with the life of prisoners in the camp, which bear testimony not only to the primitive living and hygienic conditions and starvation, but also with attempts to preserve humanity behind the barbed wire of Auschwitz.*
- *The Museum collections also contain objects connected with the SS garrison, the perpetrators of the crime.*

Museum of QIN Terracotta Warriors and Horses, China

- *The Terra Cotta Warriors and Horses are the most significant archeological excavations of the 20th century.*
- *Life size terracotta figures of warriors and horses arranged in battle formations are the star features at the museum. They are replicas of what the imperial guard should look like in those days of pomp and vigor.*
- *The museum covers an area of 16,300 square meters.*
- *There are columns of soldiers at the front, followed by war chariots at the back.*

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BUSINESS NETWORKS AS A STRATEGIC CHOICE INSTRUMENT FOR REGIONAL TOURISM DEVELOPMENT: THE CASE OF PELOPONNESE HEALTH TOURISM NETWORK

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ABSTRACT

We are in a period of tourism that in terms of demand trends dominates the need for personalized experiences, and to this end, SMEs play a key role in providing adequate products and services to tourists, responding to their more specific requirements.

In the present study, we present a case study of the pilot project for the development of a Health Tourism Network in the Peloponnese, Greece, a series of networks and clusters as a framework that provides SMEs with innovative opportunities to operate in a competitive tourist environment. A review of the relevant bibliography on clusters, networks and innovation in the field of tourism business takes place and then focuses on the specific issues of Health Tourism.

The pilot project implemented in the Peloponnese in Greece on the Health Tourism Network is used to discuss the process and consequences of developing networks and clusters in tourism. However, cluster development should not be considered a simple and spontaneous process due to the nature of the businesses involved but as a very complex process associated with strong stakeholder cooperation.

Keywords: health tourism, networks- clusters, Peloponnese Greece, synergies

INTRODUCTION

Consumer trends are constantly changing, developing a more fragmented, niche and sophisticated market focusing on the unique activities offered in the places they visit (Nylander & Hall, 2005). At a time when tourism is dominated by demands for personalized experiences, tourism small and medium-sized enterprises (SMEs) play a key role in providing adequate products and services to tourists, responding to their specific interests and needs.

SMEs in Greece are also the main body of enterprises with a strong family management (Michael, 2003, 2004, Poon, 1994). Today in both Greece and the rest of the world there is a limited debate about

whether the creation of networks and clusters can be used as an innovative process to support the tourism business of SMEs and contribute to local development.

In the context of this work, networks and diagonal arrays should be seen as a framework that provides innovative SMEs with opportunities to operate locally and in a globalized business environment.

The Peloponnese Health Tourism Cluster (PHTC) experience in Peloponnese in Greece is used as a benchmark for discussing the process of networking and clustering, to understand the implications of innovative SME practice through cooperation and alliances, to understand the opportunities are offered by the interactions of coastal / rural / urban SMEs and emphasize the importance of sustainable use of local resources.

In the Peloponnese, private sector leaders are working together to identify solutions to key regional competition issues such as the decline of some coastal areas, the need to diversify the countryside and the complexity of urban regeneration. Through the stimulation of networking (eg workshops and meetings), the provision of infrastructure (eg joint meeting and training infrastructures such as campus facilities and cluster members), knowledge transfer (collaborative work of experts on different sectors) the exchange of best practices (ie benchmarking of specific practices), local SMEs have succeeded in joining a self-contained business cluster.

1 LITERATURE REVIEW

In recent years, several attempts have been made to use networking, clustering and clustering theories to explain the role of tourism in the recovery of local development and stimulate regional development. Rosenfeld (1998, p. 4) defines "grouped geographic concentrations of interdependent enterprises with active channels for business transactions, dialogue and communications and that it shares common opportunities and threats".

According to Christensen, McIntyre and Pikholz (2002), teams are more likely to compete nationally and globally when their businesses compete and work together at the same time. Through this new services and products are developed and a sustainable competitive advantage can be achieved

Knoke and Kuklinski (1983, p. 12) describe the networks as "a particular type of relationship that connects a set of individuals, objects or events." Porter (1998, p. 78) defines "geographic concentrations of interconnected companies and organizations in a particular region, linked to common features and complementarities". These two definitions can be used as a general model for the travel and tourism industry with niche markets gaining from networks and building clusters as they create their own tourism function and offer increased economic and social benefits to the local community involved.

It is important to link the cluster to the market (nationally and globally) in order to remain competitive and to build links with R & D entities, such as academic institutions.

Most European countries already have existing or emerging cluster plans. In 2003, Belgium, for example, had 23, France had 100 existing and 80 developing groups and the United Kingdom, with 154 in total, was the country with most projects.

However, it should be noted that most of these countries have not yet developed a cluster policy. In Italy, clusters are widespread and are part of the traditional economic process without legislation. The

Netherlands and Austria have many years of experience with cluster policies but have to identify gaps between policy measures and cluster needs.

Denmark and the United Kingdom are in the process of drafting national group policies based on research and pilot projects. For new EU and Candidate Countries, teams are a new concept that has not yet been further developed (European Commission, 2003).

At regional and sectoral level, it is important to identify who is acting on the market and to consider possible groups that can be supported by regional and national authorities for the benefit of local businesses.

Considering that through a team, a group of SMEs can compete globally through local co-operation, networks and tourism groups have experienced dramatic growth, bringing benefits such as flexibility, share of valuable marketing information, innovation (Cravens & Piercy, 1994, Saxena, 2005).

The purpose of tourism groups and networks is to point out the availability of certain activities to a destination or region and to acquire SMEs that will normally work individually to cooperate and build a successful tourism product in the area (ie the English countryside with other urban and coastal sites).

2. FIELD RESEARCH

The medical tourism of choice as it is said today is associated with services mainly plastic / aesthetic surgery, dentistry, ophthalmology, artificial insemination, cardiology / cardiac surgery, orthopedic therapy and rehabilitation, cancer treatment, organ transplants, hair rehabilitation, renal dialysis et. al.

On the contrary, health tourism is a wider term and includes a range of services including medical tourism, dental tourism, spa tourism, thalassotherapy, wellness, sports tourism (not for viewers, mainly rehabilitation), gastronomic tourism, accessible tourism (people with some form of disability), etc.

The determinants of supply-side Health Tourism development are:

- Quality and cost of health tourism services provided.
- The existence and creation of modern hospitality and hotel facilities in a wider range of destinations
- Specialized staff in medical, nursing, hotel and tourist services in more and more destinations
- The profile of each destination (climatic conditions, infrastructure, quality of service, historical and cultural heritage)
- Appropriate promotion and promotion of health tourism services
- The development of international certification standards for health care infrastructure.
- Further exploiting the internet as the most important means of seeking health tourism information
- Increase in private health service providers and upgrading of existing hotel infrastructures
- Competitive (in terms of cost) insurance products and packages.

And on the demand side:

- Demographic changes. It is estimated that over the next 50 years the proportion of people over 60 in developed countries will rise from 1/5 to 1/3.
- Pressure on available health care resources and their adequacy in developed countries as a result of demographic change.

- The difficulty of accessing health services due to the high queues in public hospitals in many developed countries (USA, Western Europe) and the lack of combined tourist services in this type of destination.

There is no precise measurement of the size of the world health tourism market, an estimate where researchers are converging, especially for medical tourism services, is about 15 to 20 billion dollars, resulting from about 5 million patients with an average medical expense (not travel and accommodation) from $ 3,000 to $ 4,000. The size refers only to medical tourism selection, and only to the cost of medical services (not in combined health tourism services that sizes could be multiple)

- The factors that help reduce costs to competitive destinations for health tourism are:
- The cheapest labor cost
- The lower costs of legal and insurance coverage of medical liability
- Simpler regulatory and legal frameworks for health tourism providers

The ecosystem of health tourism providers is enormous since it is a complex set of services involved:

- Health providers (hospitals, clinics, rehabilitation centers, doctors, nurses)
- Hospitality and transport service providers (hotels, airlines, on-site mobility)
- Companies providing complementary tourist services

Health insurance organizations (private companies, social security institutions)

- ✓ Medical tourism certification bodies.
- ✓ Health Tourism facilitators
- ✓ Health Tourism Support Industries (services and products)

The health and hospitality services in the Peloponnese would be characterized by good infrastructure in buildings and equipment and good doctors in most specialties. Pathogenesis is observed in terms of organization, marketing procedures and institutional framework

The "Peloponnese Health Tourism Cluster"(PHTC) is a cluster of enterprises from the tourism sector from the health sector but also from other sectors since it is a set of services involving all the productive sectors. The main goal of the network is the development of the participating companies and the promotion, promotion, development and marketing planning of the Peloponnese as a destination for health tourism, both inside the country and abroad, at European and world level.

In addition to its main goals and strategies is the formation of the overall identity of the area as well as the overall planning, elaboration and implementation of the strategy for the development of health tourism in the Peloponnese.

The decline in the long-term tourism market has been a key factor in the economic slowdown of many businesses in Greece and globally.

Tourism plays a vital role both for Greece and for the Peloponnese in particular. However, tourism is also characterized by a vague definition and a lack of coherence between the activities shaping the destinations. This is against the tourism sector in terms of innovation and value chain management, especially in the case of the Peloponnese, which performs lower than other geographic units of the country (Crete, South Aegean, Attica, Central Macedonia, Ionion)

2.1 Research Methodology

The Peloponnese Health Tourism Network (PHTC) provides a different and innovative vision for tourism in the Peloponnese. The aim is to integrate businesses from different sectors such as accommodation, restaurants, urban / rural / coastal domestic and international facilities, retailers, attractions, transport, producers, sport and leisure organizations, local authorities to increase the synergies and productivity of SMEs , the transfer of knowledge, the production of innovative services, the promotion of employment and joint marketing in the context of a common theme of 'health tourism'.

The geographic position of the Peloponnese chosen is representative for much of Greece, therefore sufficient as a pilot area of study. With a mild climate and a unique natural environment, it offers the perfect conditions for both local food production and recreational activities.

The secondary data was collected at the preliminary stage of the survey to identify the issue and learn about market trends. The local authorities (Peloponnese Region, Western Greece Region, Peloponnese Municipalities) have been taken into account to operate in the context of local and regional tourism for the future.

The first 3 months of the survey (from September to November 2013) concerned business registration and the current situation.Chambers' information bases and telephone directories were the main sources for identifying potential Network members. In total 55 contacts were made in the pilot area. A steering group was set up with the participation of a number of entrepreneurs and representatives of local authorities who provided preliminary contacts and ideas to the mediator.

Most links were formed mainly by referral, which brought the number of contacts made to 90. The main difficulty in responding to the survey was the lack of time because they had a limited available workforce and were most highly employed. Once the Network was created and the resources were funded by the local media themselves being the project managers, the dialogue became much more productive.By January 2014, the Network had 43 members, some of which played an important role in further network growth.

Within three months, very important primary data was collected, with the active involvement of local entrepreneurs and local authorities, which provided valuable results and guidelines for the development of the Network. A newsletter and a website are used as tools to inform cluster members about development and management, events and other information about the area where the Network is being tested.

Emails are used as a way of communicating with Network members as they have proved to be the most effective in terms of time and cost. Members' comments are encouraged and fully implemented, where appropriate.

4. CONCLUSION

The creation of PHTN represents a sustainable set of tourism opportunities that will enable local SMEs to tap into their resources and maximize their sustainability. The exchange of ideas through exchange of views, the exchange of expertise through expertise and the exchange of resources between local businesses, educational / research institutions and local authorities was considered the best way to ensure the good progress of any innovative initiative.

Pioneering research has been channeled into the group to promote cluster learning so that members understand the clustering process and the way in which innovative tourism products and services could be developed and managed. The long-term vision was to increase prosperity and strengthen the natural, economic and social regeneration of the region through PHTC.

PHTC responds to market needs in the field of health-specific experiences, which are in a developmental approach based on tourism activities rather than a destination approach. The "customer" is able to "choose and choose" the one that best meets his / her prospects and needs.

In this regard, the need to diversify the portfolio of activities in the Peloponnese became an obvious objective for building synergies between rural, urban and coastal environments, encouraging social inclusion and identifying best practices within the PHTC.

From a business point of view, PHTC has brought significant benefits for individually-operating SMEs, which now work with other local actors involved in different industrial areas (eg agriculture, manufacturing, tourism, hospitality, retail, etc.).). Their alliances have created improved service quality, improved visibility, cross-marketing activities with other members of the cluster.

Network and cluster theories can help the innovation process of tourism SMEs and can contribute to regional development through the simple results generated by network and cluster activities. However, due to the diverse nature of the SMEs involved, the development of the tourist cluster should not be considered as a simple and easy task.

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